

Supplier Code of Conduct (as of 03/2024)

1. Introduction

The Supplier Code of Conduct defines the principles and requirements that apply to suppliers of Klüh Service Management GmbH in respect of integrity and compliance with ethical standards and applicable law.

Klüh expects its suppliers to implement and comply with the following standards in their business operations. This not only applies to their transactions with Klüh but also to their dealings with other customers, contractual partners, competitors and the public sector. Klüh's suppliers are also required to promote compliance by their own business partners with the principles contained in this Code of Conduct.

This Code of Conduct shall apply to all suppliers of goods and services to Klüh Service Management GmbH and its affiliated companies.

2. Compliance with laws and regulations

The supplier assures that, in providing goods and services to Klüh Service Management GmbH and in connection therewith, it shall comply with and regularly obtain information about all applicable national and international laws and regulations.

3. Requirements for suppliers

For the purpose of their future collaboration, the Parties hereby agree on the following guidelines as a joint Code of Conduct. This Agreement shall be the basis for all future provision of goods and services.

The Parties shall comply with the principles and requirements of the Code of Conduct and shall endeavour to contractually oblige their subcontractors to comply with the standards and regulations detailed in this document. This Agreement shall become effective upon signature. Any breach of this Code of Conduct may be grounds for the company to terminate the business relationship and all associated supply agreements.

The Code of Conduct is based on national laws and regulations and on international treaties such as the United Nations (UN) Universal Declaration of Human Rights, UN Children's Rights and Business Principles, UN Guiding Principles on Business and Human Rights, the international labour standards of the International Labour Organization (ILO) and the UN Global Compact.

3.1 Social responsibility

The supplier shall support compliance with internationally recognised human rights guidelines such as those issued by the Business Social Compliance Initiative (BSCI) and the ILO.

a. Exclusion of forced labour

Forced labour, slave labour or any comparable labour must not be used. All labour must be voluntary and employees must be treated with dignity and respect. In addition, there must be

no unacceptable treatment of labour such as psychological hardship or sexual and personal harassment.

b. Prohibition of child labour

Child labour must not be used in any phase of production. Suppliers shall comply with the recommendation contained in the ILO conventions concerning the minimum age for the employment of children. This states that the age shall not be lower than the age at which general compulsory education ends and in any case not below 15 years of age. If children are encountered at work, the supplier shall document the measures to be taken in order to provide redress and to enable the children to attend a school. The rights of young employees shall be protected and special safeguards complied with.

c. Prohibition of discrimination

The supplier shall ensure equal opportunities for its employees and shall fight discrimination in accordance with applicable regulations. In particular, there shall be no discrimination in hiring and employment due to race, skin colour, religion, age, nationality, social or ethnic origin, sexual orientation, gender, political convictions or disability.

d. Fair pay

The pay for regular working hours and for overtime must comply with the national statutory minimum wage or the minimum standards customary for the sector, whichever is higher. The pay for overtime must always exceed the pay for regular working hours. If the pay is not enough to cover normal living expenses and to establish a minimum level of savings, the supplier shall be obliged to raise the pay accordingly. Employees shall be granted all legally stipulated benefits. It is not permissible to make deductions from pay as a form of punishment. The supplier shall ensure that employees receive clear, detailed and regular written information about the composition of their pay.

e. Freedom of association

The right of employees to establish organisations of their choice, to join these and to hold collective negotiations shall be respected. In cases in which freedom of association and the right to collective negotiations are restricted by law, alternative possibilities for an independent and free association of employees for the purposes of collective negotiations shall be ensured. Employee representatives shall be protected against discrimination. They shall be granted free access to their colleagues' workplaces in order to ensure that employees may exercise their rights in a legal and peaceful manner.

f. Occupational health and safety in the workplace

The supplier shall be responsible for providing a safe and healthy working environment. By establishing and applying appropriate occupational safety systems, necessary precautions shall be taken to prevent accidents and damage to health that could occur in connection with employment activities. In addition, employees shall receive regular information and training on the applicable occupational health and safety standards and measures. Employees shall be given access to drinking water in sufficient quantities and to clean sanitary facilities.

g. Complaint mechanisms

The supplier is responsible for establishing an effective complaint mechanism for individuals and communities that could be impacted by negative effects.

3.2 Ecological responsibility

The supplier shall support compliance with standards such as EMAS or ISO 14001. Klüh also expects its suppliers to contribute to the circular economy.

a. Handling water as a resource

The flawless quality and availability of water in bodies of water and groundwater is the basis of life for humans, animals and plants and must not be impaired by the supplier. Water must therefore be used sparingly for all processes. In industrial plants, there should be recirculation systems that enable multiple use.

b. Treatment and discharge of industrial waste water

Waste water from business processes, production processes and sanitary facilities shall be classified, monitored, tested and, if necessary, treated before discharge. Furthermore, measures shall be taken to reduce the generation of waste water.

c. Handling air emissions

General emissions from business processes (air and noise emissions) and greenhouse gas emissions shall be classified, routinely monitored, tested and, if necessary, treated before release.

Moreover, the supplier shall monitor their emission purification systems and find cost-effective solutions in order to avoid all emissions.

d. Handling waste and hazardous substances

The supplier shall take a systematic approach in order to identify, treat, reduce and responsibly dispose of or recycle solid waste. Chemicals or other materials that could harm the environment if released shall be identified and treated to ensure their safety during handling, transportation, storage, use, recycling, reuse and disposal.

e. Reducing the consumption of commodities and natural resources

The use and consumption of resources during production and the generation of waste of all kinds, including water and energy, shall be reduced or avoided. This shall be done either directly at the point of origin or by way of processes and measures, for example, by modifying the production and maintenance processes or the company's processes, by using alternative materials, by savings, by recycling or by reusing materials.

f. Deforestation-free agriculture

The supplier undertakes to act in accordance with the requirements of Regulation EU 2023/1115 on deforestation-free agriculture when placing on the market, making available and exporting the following goods: Cattle, cocoa, coffee, palm oil and some palm oil products, rubber, soya or wood (relevant raw materials according to Annex I of the regulation).

This serves to preserve biodiversity and reduce greenhouse gas emissions.

3.3 Ethical business conduct

The supplier shall support compliance with standards such as the OECD principles, the BSCI Code of Conduct and the UN Global Compact.

a. Fair competition

The standards of fair business activity, fair advertising and fair competition shall be complied with. In addition, the applicable antitrust laws that apply to dealings with competitors shall be applied, especially those that prohibit agreements and other activities that influence prices or terms and conditions. Furthermore, these regulations prohibit agreements between customers and suppliers that are intended to restrict customers in their freedom to autonomously determine their prices and other terms and conditions in the event of resale.

b. Confidentiality/data security

With regard to the protection of personal information, the supplier shall satisfy the appropriate expectations of its client, sub-contractors, customers, consumers and employees. When collecting, storing, processing, transmitting and passing on personal information, the supplier shall comply with data protection and information security laws and official regulations.

c. Fighting corruption and bribery

Klüh Service Management GmbH expects its suppliers to fight all forms of corruption and economic crime and to implement preventive measures within their companies. Suppliers shall ensure that none of their employees or sub-contractors offer, promise or grant advantages to Klüh's employees or their related parties in order to unfairly influence their independent business decisions. Should employees of Klüh Service Management GmbH actively request an unfair personal advantage, we expect this to be reported without delay to the Compliance Department of Klüh Service Management GmbH. Procedures to monitor and implement the relevant standards shall be applied to ensure compliance with anti-corruption laws.

4. Implementing the requirements

Klüh Service Management GmbH expects its suppliers to comply with Germany's Supply Chain Due Diligence Act by identifying risks within the supply chain and implementing appropriate measures. In the event of suspected breaches and to safeguard high-risk supply chains, the supplier shall provide the company with timely and possibly regular information about the breaches and risks identified and the measures implemented.

Klüh Service Management GmbH monitors compliance with the standards and regulations detailed in this document by way of a questionnaire and sustainability audits of suppliers' production sites. The supplier hereby declares its consent for a person engaged by Klüh Service Management GmbH to perform such audits to review compliance with the Code of Conduct at the supplier's business premises during normal business hours and after appropriate advance notification.

If a breach of the provisions of this Code of Conduct is identified, Klüh Service Management GmbH shall notify the supplier of this in writing within one month and will set an appropriate period of grace for the supplier to align its conduct with these provisions. In the case of a culpable breach that makes it unreasonable for Klüh Service Management GmbH to continue the agreement until its regular expiry, Klüh Service Management GmbH may terminate the agreement if the supplier does not meet the deadline set and if this was threatened when setting the period of grace. This shall not affect the statutory rights of Klüh Service Management GmbH to extraordinary termination without notice or to compensation.

5. Supplier's acknowledgement and consent

The supplier undertakes to act in a responsible manner and to comply with the foregoing principles and requirements. The supplier undertakes to communicate the content of this Code of Conduct in an understandable way for its employees, representatives and sub-contractors and to take all necessary measures to implement the requirements.