



## **Code of Conduct for business partners of Heinrich Kühlmann GmbH**

For Heinrich Kühlmann GmbH, respecting, upholding and promoting human rights, environmental protection and business integrity are central values and core elements of corporate responsibility. We also expect our employees to observe the principles of environmental, social and ethical behaviour and integrate them into the corporate culture.

Exercising social and environmental responsibility while endeavouring to continuously optimise our business activities in the interests of sustainability is not only the basis of the day-to-day activities of Heinrich Kühlmann GmbH – we also demand that corresponding standards are put in place by our business partners and by the subcontractors commissioned by the business partners of Heinrich Kühlmann GmbH. With the Code of Conduct for Business Partners, Heinrich Kühlmann GmbH is defining what it requires of its contractual partners and obliging them to guarantee minimum social standards and comply with all relevant social and environmental laws.

This Code of Conduct is based on international laws, standards and guidelines. These include the following frameworks:

The principles of the International Labour Organization (ILO Convention), the Business Social Compliance Initiative (BSCI), the United Nations Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, the OECD Guidelines for Multinational Enterprises, the international standard SA 8000 and the guidance on social responsibility (ISO 26000).

Kühlmann is thus pursuing the goal of improving minimum social standards and relevant social and environmental laws beyond the confines of its own company and incorporating compliance with the requirements of the 'Code of Conduct' set out below as an essential basis for any business relationships involving its contractual partners.

This Code of Conduct also applies to any subcontractors engaged by the business partners of Heinrich Kühlmann GmbH who are involved in the manufacture of products or in the provision of services for Heinrich Kühlmann.

The following principles represent the minimum requirements.

## **1. Human rights and labour standards**

### **1.1. Human dignity**

Human dignity is inviolable and must be respected and protected as an elementary prerequisite for human coexistence.

### **1.2. Compliance with laws**

All applicable laws and regulations, minimum industrial standards, conventions of the ILO and the UN, the law in each country where business activities are conducted and all other relevant legal provisions must be observed. The regulation most suited to achieving the protective purpose shall be decisive.

### **1.3. Employment relationships**

The relevant national laws and industry standards on working hours shall apply. Written employment contracts exist within the framework of the respective national law, which must be handed out to employees. The regular maximum working hours are based on the statutory provisions.

Employees must not be required to:

- Regularly work more than 48 hours
- Regularly work more than 60 hours, including overtime, per week.

Under no circumstances may working hours exceed the legally defined limits. Any overtime must be voluntary and remunerated separately in accordance with national law. Every employee has the right to at least one day off after working six days consecutively. More working days in succession are only allowed if permitted under national law and collective labour law. In cases of temporary employment, the business partner must ensure that the contractual partner meets the aforementioned requirements.

### **1.4. Ban on child labour**

Child labour is prohibited. The minimum employment age shall not be less than the age at which compulsory education ends and on no account lower than the age of 15 or 14 years, if national law permits this under ILO Convention 138. The relevant national regulations for the protection of children must be observed.

We expect our contractors to have reasonable means of determining a person's age in order to prevent child labour. If child labour is identified, all necessary measures must immediately be taken to focus on the well-being, protection and development of the child.

### **1.5. Special protection for young employees**

Young employees need special protection so that working conditions do not compromise their health, safety, morals and development. Accordingly, all national legal regulations must be observed. Furthermore, special risk analyses for the protection of young people must be conducted and access granted to training programmes. Young people according to the international standard SA 8000 who are aged between 15 and 18 may only be employed outside school time. Under no circumstances may the working time exceed eight hours.

The total daily time spent at school, at work and on transport may not exceed ten hours. Young people may not do night work.

### **1.6. Ban on forced and compulsory labour and disciplinary measures**

Forced labour is prohibited. This means that any employment relationship where the performance of work is enforced by compulsion or threats – such as slavery, debt bondage or serfdom – is prohibited. The use of corporal punishment, sexual harassment, psychological or physical coercion and verbal abuse is prohibited (BSCI). The supplier shall not make use of forced, prison or other forms of involuntary labour obtained by requiring a deposit from employees, for example, or withholding identity documents or other personal valuables from them at the beginning of the employment relationship. Neither prisoners nor military personnel may be used. Payment of wages may not be delayed for more than one month on a regular basis. Neither the business partner nor an entity that supplies workers to the business partner may force employees on temporary contracts to continue working against their will beyond the contractually agreed period. If temporary workers are employed through agencies, all legal or contractual fees must be paid to the agency. Loans/advances from the employer to the employee may not exceed three months' salary. Employees have the right to leave their workplace at the end of a normal working day. They are free to terminate their employment relationship by giving the employer a reasonable period of notice.

### **1.7. Remuneration**

The salary for work performed shall be paid in accordance with the statutory provisions or, where applicable, collective bargaining agreements. Wages must be paid regularly and on time and must be commensurate with the amount of work performed. The wages and benefits paid for a normal working week must meet the minimum standards required by law and the standards of the local manufacturing industry. The work performed by the employees must be remunerated on a regular basis and in full. Wages should not only cover the basic needs of the workers and their families, but also provide a disposable income. Before employees start work, information about the wage level and details of salary payments per payment period must be provided in an easy-to-understand format. Employees must be regularly informed about how their salary is made up in a manner that is understandable to them. Wage deductions as a disciplinary measure are not permitted. The salary must be paid in a form that is practical for the employee or in keeping with a common local payment method.

### **1.8. Freedom of assembly and the right to collective bargaining**

The rights of employees to form or join labour organisations and engage in collective bargaining in accordance with the respective national laws and regulations as well as the ILO conventions must not be restricted. The right to collective bargaining must be accepted.

If the right to freedom of association and collective bargaining is restricted by national law, employees must at least be permitted to organise themselves independently and freely for the purpose of conducting negotiations. Disciplinary action against workers who peacefully and lawfully exercise their right to freedom of association is not permitted. Employees who exercise these rights may not be discriminated against.

### **1.9. Diversity and inclusion, ban on discrimination**

A working environment must be promoted that enables inclusion and values the diversity of employees. Any form of discrimination during the recruitment process or employment relationship is prohibited. Employees shall not be subjected to discrimination, regardless of whether this involves recruitment, remuneration, access to training, promotion, termination of employment or retirement. Equal opportunities and equal treatment shall be guaranteed irrespective of sex, age, religion, caste, race, skin colour, birth, social background, disability, ethnic or national origin, nationality, membership of workers' organisations including trade unions, political affiliation or views, sexual orientation, family commitments, marital status, or any other personal trait.

### **1.10. Health and safety in the workplace**

Safe and healthy working conditions should exist in the workplace. Best practice in terms of professional conduct, safety and health should be promoted. Suppliers and their subcontractors must comply with the legal requirements in the country where they operate. Employees should not be exposed to dangerous, unsafe or unhealthy conditions that endanger their health. Staff should receive regular health and safety training in the workplace, including occupational safety exercises and information on legally prescribed standards for health protection. The business partner must guarantee a hygienic working environment.

This also applies to social facilities and employee accommodation. A health and safety officer must be appointed from the management team. The officer is responsible for the well-being of employees and ensuring compliance with health and safety standards.

## **2. Environmental responsibility**

### **2.1. Environmental protection and climate action**

All national environmental protection laws and corresponding regulations must be observed. The company evaluates the environmental impact caused by its activities and takes the necessary measures to prevent or reduce environmental pollution and continuously improve environmental protection. Procedures and standards covering the management of waste and handling and disposal of chemicals and other hazardous substances as well as emissions and waste water treatment / water protection must comply with or go beyond the minimum legal requirements.

## **2.2. Animal welfare and species conservation**

The principles for protecting animals and biodiversity are observed and business activities are geared towards these. Business partners must comply with all environmental, agricultural and animal welfare standards and practices that are common within the industry, where applicable.

The keeping and use of animals must meet the applicable legal animal welfare requirements and be species-appropriate. The Washington Convention on International Trade in Endangered Species of Wild Fauna and Flora, the ILO's Maritime Labour Convention (MLC), Work in Fishing Convention (No. 188) and Work in Fishing Recommendation (No. 199) must be observed.

## **3. Ethical business practices and integrity**

### **3.1. Ban on corruption and bribery**

Bribery, extortion and other forms of corruption are prohibited. Ethical conduct and compliance with the relevant national and international laws and standards form the basis of any business relationship. Both the management and employees must not behave in a way that leads to personal dependencies or obligations. Furthermore, the supplier shall implement an anti-bribery and anti-corruption policy, which must be followed in all business areas.

### **3.2. Money laundering**

The business partner shall act in accordance with all applicable import and export control regulations and comply with the legal requirements for the prevention of money laundering.

### **3.3. Fair competition**

Anti-competitive agreements will not be tolerated. Measures shall be put in place to ensure that business activities are conducted in accordance with applicable competition laws. No competitive advantages shall be achieved as a result of unfair business practices.

### **3.4. Personal data, protection of confidential information and intellectual property**

The personal rights of our employees, business partners, customers and other third parties shall be respected and the handling of personal information shall comply with all legal and official provisions governing the processing of personal data and information security.

Care shall be taken to ensure that trade secrets and other confidential information entrusted by business partners and customers are adequately protected against unauthorised acquisition, use and disclosure – and at the very least in accordance with the relevant legal provisions governing the protection of trade secrets.

When it comes to knowledge and technology transfer, care shall also be taken to ensure that sufficient safeguards are in place to protect intellectual property rights.



### **3.5. Consumer interests**

Insofar as the products and services affect the interests of consumers, appropriate measures have been taken to ensure the safety and quality of the products or services offered. These are in line with the relevant statutory consumer protection provisions.

Information and sales activities take consumer interests into account by engaging in fair commercial, marketing and advertising practices and promoting consumer education. Particular attention is paid to the interests of children, the elderly, people with disabilities and other vulnerable consumer groups.

## **4. Implementation, training, communication**

The supplier shall establish and implement a social responsibility policy.

The management is responsible for compliance with this Code of Conduct and the correct implementation and continuous improvement of the principles detailed herein. Compliance with the principles must be regularly reviewed and documented by the management along with any improvement measures taken to uphold them.

Employees must be informed about the required standards in an understandable format so that they are aware of their rights arising from the Code of Conduct. Furthermore, employees shall be trained on individual matters relating to the Code of Conduct as required. We expect all parties to comply with the Code of Conduct.

Moreover, we expect that the business partner will inform its suppliers and business partners about the content of this Code of Conduct, or a comparable framework, and demand compliance with the requirements and standards set out therein.

### **4.1. Monitoring measures**

We reserve the right to monitor the expectations of Heinrich Kühlmann GmbH within our own company or at the relevant production facilities of subcontractors by means of an audit, for example, at any time and without prior notice. These inspections may also be carried out by independent third parties. The audit checks shall be conducted with due regard to the rights of the individual data subjects and, in particular, in compliance with data protection regulations. Where necessary, the documents under examination must be anonymised. If serious violations are identified, we reserve the right to take appropriate action with contractual consequences, including the termination of any business relationships. We expect appropriate preventive measures or remedial action to be taken in the event of any violations being identified.



**Confirmation of the Code of Conduct for business partners of Heinrich Kühlmann GmbH**

We,

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(Company, legal form)

- Voluntarily undertake to sign the Code of Conduct of Heinrich Kühlmann GmbH,
- Declare, by signing this document, that we share the objectives set out in the Code of Conduct and will make every reasonable effort within our power to comply with this voluntary undertaking on an ongoing basis across all our locations,
- Shall communicate the contents of the Code of Conduct to our employees, business partners and other key stakeholders in an appropriate manner,
- Expect our supply partners to adhere to the contents of the Code of Conduct or another comparable framework and encourage them to demand the same from the contractual partners in their supply chain, and
- Take any violation of the Code of Conduct seriously and enable our employees, business partners and other persons to inform us of any violations in confidence using the following contact details:

Contact options (fill in as appropriate):

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Reporting office and/or contact person

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Email

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Telephone

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Website

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Place, date

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Department, name

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Signature, stamp



**Checked by:**

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Place, date	Name, QM Kühlmann	Signature
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**Approved:**                      Yes                      No\*

**Approved by:**

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Place, date	Name, QM Kühlmann	Signature
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**\* If not approved, remarks:**

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