



KUHN Group Supplier Code of Conduct

Version December 2023

Table of contents

1	Preamble	3
2	Supplier requirements	3
2.1	Social responsibility	3
2.1.1	Prohibition of child labour	3
2.1.2	Prohibition of forced labour and oppression	3
2.1.3	Occupational health and safety	3
2.1.4	Freedom of association	4
2.1.5	Equality and personality rights	4
2.1.6	Adequate wage and working conditions	4
2.1.7	Protection of natural resources, prohibition of unlawful land grabbing	4
2.1.8	Deployment of security staff	5
2.2	Ecological responsibility	5
2.2.1	Environmental and climate protection	5
2.2.2	Mercury, persistent organic pollutants, hazardous waste	5
2.3	Ethical business conduct	6
2.3.1	Avoidance of conflicts of interest	6
2.3.2	Integrity	6
2.3.3	Fair competition and intellectual property	6
2.3.4	Cross-border trading	6
2.3.5	Dealing with conflict minerals	6
2.3.6	Data protection	6
3	Implementation of requirements	7
3.1	Declaration by the Supplier	7
3.2	Training	7
3.3	Upstream Suppliers	7
3.3.1	Supervision rights	7
3.4	Information duties	8
3.5	Remedial measures	8
3.6	Termination/right of withdrawal	8
3.7	Amendment of this Supplier Code of Conduct	9

1 Preamble

Kuhn Group and its affiliates (hereinafter collectively referred to as “Kuhn”) is aware that its business activities have an impact on the lives of countless people, as well as on natural resources and the environment. It acknowledges its social and environmental responsibility and holds itself to high ethical standards in all aspects of its business. Kuhn also takes these criteria into account when choosing which companies to work with. Therefore, Kuhn also expects its suppliers and other business partners who provide services to a company of Kuhn (hereinafter uniformly referred to as “**Supplier**”) to fulfil their social and environmental responsibilities and to conduct their business in an ethically sound manner. Kuhn has summarized the values it seeks to uphold in the following binding Supplier Code of Conduct. Kuhn expects its Suppliers to commit to these values and to comply with this Supplier Code of Conduct.

2 Supplier requirements

The Supplier commits to uphold the International Bill of Human Rights of the United Nations, the ten principles of the “UN Global Compact” as well as the “UN Guiding Principles on Business and Human Rights” and the labour and social standards of the International Labour Organisation (ILO). This also applies in the event that the following points do not explicitly refer to the relevant sets of rules, in particular the core labour standards of the International Labour Organisation (ILO). Suppliers must also comply with all relevant laws, regulations and other legal provisions of the countries in which they operate.

2.1 Social responsibility

2.1.1 Prohibition of child labour

The Supplier shall comply with all laws, regulations and other legal provisions relating to the protection of children. It shall not employ children who, pursuant to the laws of the place of employment, are of compulsory school age or have not yet reached the age of 15, unless the laws of the place of employment deviate from this in accordance with the core labour standards of the International Labour Organisation (ILO).

2.1.2 Prohibition of forced labour and oppression

The Supplier shall not use any form of forced labour and shall not violate the prohibition of slavery, practices similar to slavery, servitude, or other forms of domination or oppression in the workplace environment, such as extreme economic or sexual exploitation and humiliation. Specifically, the Supplier must respect the principle of freely chosen employment.

2.1.3 Occupational health and safety

The Supplier shall comply with the national laws, regulations and other legal provisions on occupational health and safety applicable at the place of employment. If the core labour standards of the International Labour Organisation (ILO) stipulate higher standards for occupational health and safety, the Supplier shall

comply with these requirements. To this end, the Supplier shall, for instance, take all necessary measures to prevent occupational accidents and work-related health hazards and to reduce the risks for its employees in this regard.

2.1.4 Freedom of association

The Supplier shall respect the right of its employees to form, join and work for associations for the promotion and protection of their economic, social and cultural interests. The Supplier shall also respect the right of such associations to operate freely and in accordance with the laws of the place of employment, in particular the right to participate in collective bargaining and strike action. It shall refrain from any conduct that could infringe upon these rights. In particular, it shall not discriminate against any employees who exercise these rights.

2.1.5 Equality and personality rights

The Supplier values the individuality of each of its employees. It shall treat all employees equally, irrespective of their national and ethnic origin, social background, health status, disability, sexual orientation, age, gender, political opinions, religion, belief or the like. Furthermore, it respects the prohibition of arbitrary or unlawful interference with personal privacy, family, home or correspondence and shall refrain from any assaults on the reputation of its employees. It shall respect their freedom of thought and conscience.

2.1.6 Adequate wage and working conditions

The Supplier shall pay its employees an appropriate wage for their work, which is based at least on the amount of any applicable collective agreement and, in the absence of a collective agreement, at least on the minimum wage established under the applicable law. If there is no statutory minimum wage under the applicable law, the adequacy of the wage shall be determined in accordance with the laws of the place of employment.

In addition, the Supplier shall grant its employees a reasonable limitation of working hours including breaks, regular paid holidays as well as payment on public holidays in accordance with the laws applicable at the place of employment.

2.1.7 Protection of natural resources, prohibition of unlawful land grabbing

Interventions in the natural surroundings of the places in which people live can have a direct impact on the local population. The Supplier respects the right of the local population to use the natural resources of their country and not to be deprived of their means of subsistence.

The Supplier must therefore comply with the prohibition of causing harmful soil changes, water pollution, air pollution, harmful noise emission or excessive water consumption that could significantly impair the natural resources available for the preservation and production of food, that denies a person access to safe drinking water, that impedes or destroys a person's access to sanitary facilities or causes harm to a person's health.

Furthermore, the Supplier shall comply with the prohibition of unlawful eviction and the prohibition of unlawful seizure of land, forests and waters when acquiring, developing or otherwise using land, forests, and waters, the use of which serves to secure the livelihood of a human being.

2.1.8 Deployment of security staff

It may be necessary to hire private or public security forces to protect the business premises. However, this entails the risk of human rights violations being committed by the security forces. For this reason, the Supplier shall ensure, if security staff are engaged, that the security staff are adequately trained and supervised to ensure that they observe the prohibition of torture and cruel, inhumane or degrading treatment, that they do not cause harm to life or limb, and that they do not restrict the freedom of association.

2.2 Ecological responsibility

2.2.1 Environmental and climate protection

The Supplier acknowledges its responsibility towards future generations. As such, it is committed to the judicious use of raw materials and natural resources and strives to continuously reduce energy consumption, greenhouse gas emissions and the consumption of raw materials and natural resources. It also works to continuously reduce its emissions to water, soil, and air.

By handling wastewater and waste carefully and monitoring the disposal process, the Supplier shall also ensure that there is no unlawful adverse impact on the environment.

Furthermore, the Supplier shall comply with all applicable laws, regulations and other legal provisions concerning the environment and sustainability.

2.2.2 Mercury, persistent organic pollutants, hazardous waste

Some hazardous substances pose significant risks to humans and the environment. The Supplier is committed to avoiding the dangers and risks of hazardous substances by complying with the relevant laws, regulations and other legal provisions.

The Supplier therefore complies with the international standards on the handling of mercury and persistent organic pollutants (Minamata Convention on Mercury and Stockholm Convention on Persistent Organic Pollutants).

Finally, the Supplier also complies with the ban on the export of hazardous waste under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and also adheres to the requirements of this convention.

2.3 Ethical business conduct

2.3.1 Avoidance of conflicts of interest

The Supplier shall be guided solely by objective considerations and not by private, personal or otherwise extraneous interests. Any potential conflicts of interest must be disclosed immediately.

2.3.2 Integrity

The Supplier shall not commit or engage in corruption, bribery, extortion, embezzlement, misappropriation, money laundering or financing of terrorism. It shall comply with the applicable anti-corruption and criminal laws, as well as laws to combat money laundering and the financing of terrorism.

2.3.3 Fair competition and intellectual property

The Supplier shall respect fair competition and the intellectual property of others. The Supplier shall act in accordance with all applicable antitrust laws and laws, regulations and other legal provisions for the protection of competition and intellectual property. In particular, it shall not take unlawful advantage of a dominant market position and shall not enter into any unlawful agreements with competitors.

2.3.4 Cross-border trading

The cross-border movement of goods has become an indispensable part of modern life. The Supplier shall comply with all relevant laws, regulations and other legal provisions relating to foreign trade and customs law. This includes, in particular, compliance with the applicable regulations on export control, embargos and trade sanctions.

2.3.5 Dealing with conflict minerals

The Supplier shall comply with any applicable laws and regulations on conflict minerals, i.e. minerals in respect of which there is a suspicion that the proceeds from their extraction are used to finance armed groups or conflicts, in particular tin, tantalum, tungsten and their derivatives, as well as gold from the Democratic Republic of Congo (DRC) or its neighbouring countries. The Supplier declares that, to the best of its knowledge, its suppliers comply with the laws and regulations applicable to them. The Supplier undertakes to inform Kuhn of any violation of which it is aware.

2.3.6 Data protection

The Supplier shall comply with the applicable provisions on data protection and shall take appropriate measures to protect personal data.

3 Implementation of requirements

3.1 Declaration by the Supplier

The Supplier undertakes vis-à-vis Kuhn and in particular vis-à-vis the company/ies of Kuhn for which it provides services (also referred to hereinafter as “**Kuhn**”) to comply with the requirements set out in the foregoing section 2 of this Supplier Code of Conduct in its business operations, in particular in connection with its provision of services for Kuhn.

3.2 Training

At the request of Kuhn, the Supplier shall participate to an appropriate extent in training and further education on the contents of the Supplier Code of Conduct.

3.3 Upstream Suppliers

The Supplier shall communicate the contents of the Supplier Code of Conduct in an appropriate manner to the suppliers it commissions in connection with its provision of services for Kuhn (hereinafter referred to as “**Upstream Suppliers**”) and shall also work in an appropriate manner to ensure that the Upstream Suppliers commit to comparable values and principles and comply therewith.

3.4 Supervision rights

Kuhn shall be entitled to verify the Supplier’s compliance with the Supplier Code of Conduct in its business operations, in particular in connection with its provision of services for the Kuhn, for example by inspecting the relevant documents and/or by way of on-site visits. For this purpose, the Supplier shall upon request grant Kuhn access without delay to the documents relevant for the inspection, if necessary also by transmitting these documents. Furthermore, the Supplier shall provide Kuhn with the information required for the inspection and shall grant it access to its production facilities, operating sites and other premises during standard business hours to the extent required for the inspection. Kuhn shall provide reasonable advance notice of the visit. When exercising its inspection rights, Kuhn shall minimise interference with the production and operating processes, show reasonable consideration for the Supplier’s business secrets and comply with the statutory data protection regulations. Kuhn may also commission a third party to exercise the inspection rights, whereby this third party must be bound by professional or contractual confidentiality vis-à-vis external third parties.

3.5 Information duties

The Supplier shall inform Kuhn immediately in writing in the event of any violation of the Supplier Code of Conduct in the course of its business operations, in particular in connection with its provision of service for Kuhn. In addition, the Supplier shall also inform Kuhn immediately in writing if there is a suspicion that an Upstream Supplier is violating comparable values and principles. The Supplier shall immediately investigate the suspicion at the request of Kuhn and resolve the situation. The Supplier shall regularly update Kuhn, in writing, concerning the details of the situation, as well as the outcome.

3.6 Remedial measures

Kuhn may demand from the Supplier that the latter, together with Kuhn, prepare and implement a concept to remedy the violation of the Supplier Code of Conduct, in particular insofar as the violation is related to the provision of services for Kuhn. In particular, it may require the Supplier to immediately initiate specific appropriate remedial measures to rectify the violation of the Supplier Code of Conduct. The concept must include a specific timetable. The timetable must be appropriate to the nature and severity of the violation of the Supplier Code of Conduct. In the event that Kuhn itself develops a concept to remedy the violation of the Supplier Code of Conduct, the Supplier shall be obliged to support Kuhn in implementing this concept to an appropriate extent.

3.7 Termination/right of withdrawal

Kuhn shall be entitled, in particular if the violation of the Supplier Code of Conduct is related to the provision of services for it, to terminate the contract with immediate effect or to withdraw from the contract, each after the expiry of a reasonable grace period or if a warning has remained without effect, if,

- a. in breach of duty, the Supplier refuses to draw up, implement, or cooperate in a concept or,
- b. in breach of duty, the Supplier does not initiate the remedial measures within a reasonable period of time, such reasonable period being no more than one month from the request to do so, or,
- c. in breach of duty, the Supplier does not fulfil its support obligations within a reasonable period of time which shall also not exceed one month from the request to do so, or,
- d. the remedial measures do not have any effect within the period agreed in the concept or, in the absence of an agreement, within a reasonable period of time.

If the violation of the Supplier Code of Conduct is so grave that Kuhn cannot reasonably be expected to adhere to the contract, Kuhn shall also be entitled to terminate or withdraw from the contract with immediate effect. The Supplier is required to compensate Kuhn for all disadvantages it suffers as a result of the violation of the Supplier Code of Conduct. This shall not apply if the Supplier is not responsible for the violation of the Supplier Code of Conduct. Further claims and rights of Kuhn shall remain unaffected.

3.8 Amendment of this Supplier Code of Conduct

Kuhn is entitled to amend this Supplier Code of Conduct at its due discretion and within the scope of what can be reasonably expected by the Supplier, specifically to place further legal assets under the protection of the Supplier Code of Conduct if their need for protection becomes apparent subsequent to the conclusion of the contract, for example as a result of the opening of a new business or the addition of new products, or insofar as adjustments become necessary as a result of changes in the law.