

KRAMSKI



# CODE OF CONDUCT FOR SUPPLIERS

OF THE KRAMSKI GROUP

As of February 2025

## PREAMBLE

As a globally operating company, KRAMSKI is committed to environmentally and socially responsible corporate governance. We expect the same behavior from our suppliers. We also require our employees to respect the principles of ecological, social, and ethical behavior and to integrate them into the corporate culture. Furthermore, we strive to continuously optimize our entrepreneurial actions and products in terms of sustainability and we call on our suppliers to contribute to this effort as part of a holistic approach.

Suppliers commit to fulfilling the principles and requirements of this Code of Conduct and to endeavor to ensure that their subcontractors also comply with the standards and regulations outlined in this document. KRAMSKI recognizes that responsible production and the associated corporate due diligence are dynamic processes that can only be managed collaboratively through dialogue between the various actors in the supply chain. KRAMSKI therefore supports suppliers in their efforts to achieve a responsible supply chain.

Any violations of this Code of Conduct or legal regulations may have significant consequences for KRAMSKI and, as a last resort, may provide grounds and cause for terminating the business relationship, including all associated supply contracts.

This Code of Conduct is based on national laws and regulations, such as the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), as well as international agreements, including the Universal Declaration of Human Rights of the United Nations, the Children's Rights and Business Principles, the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations Global Compact.

## REQUIREMENTS FOR SUPPLIERS

We expect our suppliers to comply with all applicable international, national, and local laws, regulations, and guidelines, as well as all other relevant legal requirements.

Additionally, we expect our suppliers to establish and continuously improve appropriate management system processes to prevent, mitigate, and, where necessary, address negative social, environmental, health, and safety impacts on workers, the environment, and society.

## SOCIAL RESPONSIBILITY

### Exclusion of Forced Labor

No forced labor, slavery, or similar forms of labor may be used. All work must be voluntary and performed without threat of punishment. Employees must be able to terminate their work or employment relationship at any time. Moreover, no unacceptable treatment of workers, such as psychological hardship, sexual or personal harassment, or humiliation, may occur.

### Prohibition of Child Labor

Child labor must not be used at any stage of the value chain. Our suppliers are required to comply with ILO Convention No. 138 on the minimum age for employment and No. 182 on the elimination of the worst forms of child labor.

### Fair Working Conditions

Our suppliers commit to ensuring fair working conditions in accordance with applicable ILO Conventions. This includes fair remuneration and social benefits meeting at least national and local legal standards, regulations, or agreements.

### Freedom of Association

The fundamental right of employees to form organizations of their choice, join them, engage in collective bargaining, and strike must be respected by our suppliers. Within the framework of legal regulations and in accordance with ILO Convention No. 98, the right to collective bargaining and the right to strike must be granted.

### Prohibition of Discrimination and Fair Conduct

We expect our suppliers to tolerate no discrimination based on factors such as skin color, ethnic origin, gender, age, nationality, social background, disability, sexual orientation, religion, ideology, or political and trade union activity. Equal pay for equal work must be upheld without regard to gender. ILO conventions must be observed.

### Occupational Health and Safety

Suppliers must comply with national laws, regulations, and standards for a safe and hygienic working environment and take appropriate measures to ensure workplace health and safety. Suppliers who are also manufacturers are encouraged to introduce and develop occupational health and safety management systems (OHSMS), such as ISO 45001, or other systems suitable for their industry. In consequence, they should implement measures to achieve the OHSMS objectives.

## **Rights of Local Communities and Indigenous Peoples**

Suppliers are obligated to protect the rights of local communities and indigenous peoples to dignified living conditions, education, employment, and social activities.

## **Preservation of Natural Livelihoods**

Suppliers must not unlawfully seize land, forests, or waters that serve as the livelihood of individuals through acquisition, development, or other uses.

## **Compliance Organization**

We maintain a compliance organization that meets applicable legal requirements, and we expect the same from our suppliers.

Suppliers have the right and opportunity to report violations of this Supplier Code of Conduct or related suspicions. Reports or inquiries can be submitted through the designated contact person in the relevant department or via email at [compliance@de.kramski.com](mailto:compliance@de.kramski.com). All reports and notifications, as well as the identities of the whistleblower and affected parties, will be treated with strict confidentiality. We expressly welcome such notifications!

## **Conflict Minerals**

Our suppliers are obligated to comply with legal, regulatory, and customer requirements regarding the prohibition and restriction of substances. This includes hazardous materials and conflict minerals, as well as sustainability standards for responsible material procurement.

For conflict minerals such as tin, tungsten, tantalum, and gold, as well as other raw materials like cobalt and mica, we establish processes aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We expect the same from our suppliers.

Smelters and refineries without adequate, audited due diligence processes should be avoided. Suppliers must provide evidence of compliance with these requirements and adhere to due diligence processes. Necessary evidence is provided through the Responsible Material Initiatives (RMI), including the Conflict Minerals Reporting Template and the RMI Cobalt Reporting Template.

Suppliers must ensure that goods delivered to us meet OECD requirements. Specifically, they must:

- » Implement a policy on conflict minerals (e.g., Dodd-Frank Act, EU Regulation on Conflict Minerals) and conduct due diligence to trace the origins of these minerals when used in products supplied to us.
- » Respond promptly to our requests for evidence of compliance with these requirements.

## **ENVIRONMENTAL RESPONSIBILITY**

We expect our suppliers to maintain an appropriate environmental management system, such as ISO 14001, that complies with national laws and international guidelines. This system should aim to minimize environmental threats and impacts and improve environmental protection in day-to-day operations.

We expect our suppliers to work in an environmentally conscious and efficient manner, minimizing their environmental impact. They are encouraged to conserve natural resources, contribute to sustainability, reuse, and recycling, avoid hazardous substances wherever possible, and handle chemicals responsibly.

## **Climate Protection**

Suppliers are encouraged to reduce their carbon footprint to contribute to the goals of the Paris Climate Agreement, particularly the 1.5-degree scenario presented by the IPCC in November 2018. Suppliers should strive to find economic solutions for improving energy efficiency, minimizing energy consumption, and reducing greenhouse gas emissions. Efforts should focus on avoidance and reduction strategies for greenhouse gas emissions. Compensation for residual emissions is to be seen as a last resort. Continuous improvement in environmental performance and activities to combat climate change, including forest and biodiversity preservation, should remain central to strategies.

## **Hazardous Substances and Product Safety**

Suppliers must label hazardous substances, chemicals, and materials. This aims at ensuring their safe handling, transportation, storage, recycling, reuse, and disposal. All relevant laws and regulations regarding hazardous substances and chemicals must be strictly adhered to.

Suppliers are required to comply with product safety and substance restrictions defined by applicable laws and regulations. Key personnel must be informed of and trained in product safety practices.

## **Environmentally Friendly Packaging**

Suppliers are encouraged to use environmentally friendly packaging. This includes avoiding packaging where possible, reducing its use, or improving its environmental impact. These principles should be applied in the following order of priority: The most environmentally friendly packaging is no packaging at all. Considered more environmentally friendly are: Reusable packaging or packaging that uses minimal material, is recyclable, and is made from secondary raw materials, alternative materials, or certified paper.

Suppliers must comply with at least the relevant legal regulations and official requirements. Packaging should be labeled with recycling codes.

## **Industrial Wastewater Treatment and Discharge**

Wastewater from operations, manufacturing processes, and sanitation facilities must be classified, monitored, inspected, and treated as necessary before disposal or discharge. Measures should also be introduced to reduce wastewater generation.

## **Air Emissions**

General emissions from operations (air and noise) as well as greenhouse gas emissions must be classified, routinely monitored, inspected before release, and treated appropriately if necessary. Suppliers are also responsible for monitoring their exhaust gas cleaning systems and are encouraged to find economic solutions to minimize emissions. Suppliers must at least comply with relevant laws and regulations.

## **Waste and Hazardous Materials Management**

Suppliers should adopt a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste. The prohibitions on exporting hazardous waste under the Basel Convention (March 22, 1989, as amended) must be observed.

Chemicals or other materials that pose a risk to the environment upon release must be identified and handled safely during transport, storage, use, recycling, reuse, and disposal. Mercury must be managed in accordance with the Minamata Convention (October 10, 2013), and persistent organic pollutants in line with the Stockholm Convention (May 23, 2001-most recent version).

## **Reducing Consumption of Raw Material and Natural Resources**

Suppliers must reduce or avoid the use of resources during production, as well as minimize waste generation, including water and energy use. This can be achieved either at the source or through procedures and measures such as e.g. improved production and maintenance processes, the optimization of other organizational processes, the use of alternative materials, savings, recycling, or reusing materials.

## **ETHICAL BUSINESS CONDUCT AND COMPLIANCE**

### **Fair Competition**

Our suppliers are obligated to comply with all applicable legal regulations that protect free competition. In addition, applicable antitrust laws must be observed, which prohibit agreements and other activities with competitors influencing prices or terms.

### **Export Controls and Economic Sanctions**

Our suppliers comply with international customs and export control regulations and ensure the proactive exchange of information relevant to foreign trade, with the aim of maintaining a secure supply chain.

### **Integrity / Anti-Corruption and Avoidance of Conflicts of Interest**

We expect our suppliers to make decisions based on objective considerations and to comply with all applicable anti-corruption laws. Suppliers are expected to ensure that their employees, subcontractors, and agents do not offer, promise, or grant gifts or other benefits to any of our employees or related persons with the aim of obtaining a contract award or any form of preferential treatment in business dealings.

If a supplier becomes aware of suspicious, risky, or corrupt behavior, they must inform us without delay.

### **Intellectual Property**

Our intellectual property (e.g., know-how, inventions, patents, trade secrets, confidential information, copyrights) represents a competitive advantage and is fundamental to the long-term success of our company. It must be protected against unauthorized access and unauthorized disclosure by third parties. The creation, circulation, or use of counterfeit goods is prohibited.

## **Confidentiality / Data Protection**

In all business processes, our suppliers are obligated to ensure the right to informational self-determination, the protection of personal data, and the security of all business information and personal data. This is to be done in compliance with legal requirements and applicable data protection and information security laws.

## **Financial Responsibility**

Our suppliers commit to recording all business transactions in their books in accordance with established procedures, auditing principles, and generally accepted accounting principles. These records must include the necessary information about the respective transactions.

## **IMPLEMENTATION OF REQUIREMENTS**

We trust that our suppliers will adhere to the conditions of this Supplier Code of Conduct. Our suppliers are encouraged to take measures to ensure compliance with this Supplier Code of Conduct within their own supply chain.

We expect our suppliers to identify risks within their supply chains and take appropriate measures. In cases of suspected violations, as well as to secure supply chains with heightened risks, the supplier shall promptly and, if necessary, regularly inform us about the identified violations and risks, as well as the measures taken.

Compliance with the standards and regulations listed in this document is reviewed through a self-assessment questionnaire and risk-based audits conducted at the supplier's locations. The supplier agrees that such audits may be carried out at their facilities during normal business hours and with reasonable advance notice by persons authorized by us. The supplier may object to specific audit measures if such measures violate mandatory data protection regulations.

If a violation of the rules in this Supplier Code of Conduct is detected, we will notify the supplier immediately and set a reasonable deadline for them to align their behavior with these rules. If remedy is not possible within a foreseeable time, the supplier must notify us immediately and work with us to develop and implement a plan with a timeline to eliminate or minimize the violation.

If the deadline expires without resolution, or if the implementation of the measures in the plan does not remedy the violation after the deadline has expired, or if a violation is so serious that continuing the business relationship is unreasonable for us, we reserve the right, without prejudice to other rights, to terminate the affected contract relationship without further notice.