
1 Introduction/Preamble

Kohler Maschinenbau GmbH is committed to ecologically and socially responsible corporate management. We expect the same behavior from all our suppliers. We also expect our employees to observe the principles of ecological, social and ethical conduct and to integrate them into the corporate culture. Furthermore, we also strive to continuously optimize our business activities, products and services in terms of sustainability.

This Code of Conduct is based on national laws and regulations as well as international conventions such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, the International Labor Standards of the International Labor Organization, and the United Nations Global Compact.

The requirements listed below are formulated neutrally. In principle, the scope of application includes Kohler Maschinenbau GmbH and all business partners who have committed themselves to this Code of Conduct, as well as their business partners. This ensures that nothing is demanded of business partners that is not complied with by the Company itself, and vice versa.

2 Requirements

2.1 Social responsibility

- **Exclusion of forced labor**

No forced labor, slave labor or such comparable labor shall be used. All work must be voluntary and employees must be able to leave work or employment at any time. In addition, there must be no unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment.

- **Prohibition of child labor**

Child labor may not be used at any stage of production. Suppliers are required to adhere to the recommendation from the ILO conventions on the minimum age for employment of children. Accordingly, the age should not be less than the age at which compulsory education ends and in any case not less than 15 years. If children are encountered at work, the Supplier shall document the actions to be taken to remedy the situation and allow the children to attend school. The rights of young workers must be protected and special protective regulations must be observed.

- **Fair remuneration**

The remuneration for regular working hours and overtime must correspond to the national statutory minimum wage or the minimum standards customary in the industry, whichever is higher. In any case, the remuneration for overtime must exceed the remuneration for regular hours. Insofar as the remuneration is not sufficient to cover the costs of ordinary living and to build up a minimum level of reserves, the Supplier shall be obliged to increase the remuneration accordingly. Employees shall be provided with all benefits required by law. Wage deductions as a penalty are not permitted. The Supplier shall ensure that employees receive clear, detailed and regular written information on the composition of their remuneration.

- **Fair working time**

Work hours must comply with applicable laws or industry standards. Overtime is permitted only if it is performed on a voluntary basis and does not exceed 12 hours per week, while employees must be

granted at least one day off after six consecutive working days. The weekly working time may not regularly exceed 48 hours.

▪ **Freedom of association**

The right of employees to form and join organizations of their choice and to bargain collectively shall be respected. In cases where freedom of association and the right to collective bargaining are restricted by law, alternative means of independent and free association of employees for the purpose of collective bargaining shall be provided. Employee representatives must be protected against discrimination. They must be granted free access to the workplaces of their colleagues to ensure that they can exercise their rights in a lawful and peaceful manner.

▪ **Prohibition of discrimination**

Discrimination against employees in any form is not permitted. This applies, for example, to discrimination based on gender, race, caste, skin color, disability, political opinion, origin, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected.

▪ **Health protection; safety at work**

There is a responsibility to maintain a safe and healthy work environment. By setting up and applying appropriate occupational safety systems, necessary precautionary measures are taken against accidents and damage to health that may arise in connection with the activity. In addition, employees are regularly informed and trained on applicable health and safety standards and measures. Employees are provided with access to drinking water in sufficient quantities, as well as access to clean sanitary facilities.

▪ **Complaint mechanisms**

The Company is responsible for establishing an effective grievance mechanism for individuals and communities that may be affected by adverse impacts. The user of the complaint mechanism does not expect any negative consequences due to its use.

▪ **Dealing with conflict minerals**

For the conflict minerals tin, tungsten, tantalum and gold, as well as for other raw materials such as cobalt, the Company is establishing processes that comply with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guiding Principles for Promoting Responsible Supply Chains for Minerals from Conflict and High-Risk Areas and expects the same from its Supplier. Smelters and refiners without adequate, audited due diligence processes should be avoided.

▪ **Whistleblowing**

No harassment or unfair treatment of individuals who have raised concerns will be tolerated, and the anonymity of those individuals will be preserved unless they have consented to the disclosure of their identity. No attempts will be made to uncover the identity of anonymous whistleblowers.

Suspensions and concerns raised anonymously will be reviewed by Compliance Officers in a fair and reasonable manner and in accordance with the Global Code of Conduct and its policies.

The whistleblower's anonymity will be protected by Compliance Officers unless:

- the whistleblower consents to the disclosure of his or her identity,
- disclosure of his or her identity is mandatory to enable relevant law enforcement authorities to investigate the matter or to respond effectively to the report,

➤ or applicable legislation requires identification.

2.2 Ecological responsibility

▪ Treatment and discharge of industrial wastewater

Wastewater from operating procedures, manufacturing processes, and sanitary facilities shall be typed, monitored, inspected, and treated as necessary prior to discharge or disposal. In addition, measures should be introduced to reduce the generation of wastewater.

▪ Dealing with air emission

General emissions from operations (air and noise emissions) and greenhouse gas emissions shall be typed, routinely monitored, verified, and treated as needed prior to release. The Supplier is also responsible for monitoring its emission control systems and is required to find economical solutions to minimize any emissions.

▪ Handling refuse and hazardous substances

The Company follows a systematic approach to identify, handle, reduce and responsibly dispose of or recycle solid waste. Chemicals or other materials that pose a hazard when released into the environment shall be identified and handled in a manner that ensures safety during their handling, transport, storage, use, recycling or reuse, and disposal.

▪ Reducing consumption of raw materials and natural resources

The use and consumption of resources during production and the generation of waste of any kind, including water and energy, shall be reduced or avoided. This is done either directly at the point of origin or through processes and measures, for example by changing production and maintenance processes or procedures in the Company, by using alternative materials, through savings, through recycling or with the help of the reuse of materials.

▪ Dealing with energy consumption/efficiency

Energy consumption shall be monitored and documented. Economic solutions must be found to improve energy efficiency and minimize energy consumption.

▪ Conflict of interest

A “conflict of interest” exists when an employee's private interests displace or override the interests of the Company, or when an employee or close relative personally benefits from a transaction.

Employees are expected to make business decisions that are solely in the best interest of the Company and are prohibited from having conflicts of interest. Accordingly, it is not permissible to invest directly or indirectly in a business partner working with the Company, in a Supplier's parent Company or in its subsidiaries. No money may be loaned to employees, nor may bribes or kickbacks be proposed or paid, directly or indirectly.

2.3 Financial responsibility

▪ Liability

No employee need fear liability outside the legally defined scope of financial consequences of his or her activities.

▪ Investment activities

The Company's financial activity must be compatible with the aspects of the Code of Conduct listed here.

2.4 Ethical business conduct

▪ **Fair competition**

The standards of fair business, fair advertising and fair competition shall be observed. In addition, the applicable antitrust laws must be applied, which in particular prohibit agreements and other activities that influence prices or conditions when dealing with competitors. Furthermore, these regulations prohibit agreements between customers and suppliers that are intended to restrict customers' freedom to determine their prices and other conditions autonomously when reselling.

▪ **Confidentiality/data protection**

The Company is committed to meeting the reasonable expectations of its principal, suppliers, customers, consumers and employees regarding the protection of private information. The Supplier shall comply with the laws on data protection and information security and the official regulations when collecting, storing, processing, transmitting and disclosing personal information.

▪ **Intellectual property**

Intellectual property rights shall be respected; technology and know-how transfers shall be made in a manner that protects intellectual property rights and customer information.

▪ **Counterfeits**

The use of counterfeit products is strictly prohibited. However, if a counterfeit is suspected, this will be reported to the corresponding original manufacturer.

▪ **Integrity/bribery, taking advantage**

The highest standards of integrity must be applied to all business activities. The Supplier shall have a zero tolerance policy in prohibiting all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing standards shall be implemented to ensure compliance with anti-corruption laws.

2.5 Compliance with restrictions due to export/import and economic sanctions

It is committed to complying with applicable laws and regulations governing the import and export of goods, services, technology and information, including re-exports and parallel trade. EU and/or U.S. laws in the following areas are specifically affected, depending on the nature of the goods, services, technology, foreign exchange or parties:

- Sanctions regimes that restrict direct or indirect imports from or exports to (including payments to/from) a sanctioned territory. These currently include the Crimea region, Ukraine, Cuba, Iran, North Korea, Sudan or Syria, or a sanctioned party (such as those parties on which the EU and/or U.S. have imposed restrictions), including imports or exports through third countries or third parties (such as resellers or distributors),
- Government controls over the physical or electronic export of specific goods and technology, such as when these items can be used for military or political repression and require a license,
- correct customs classification and declaration of imported items. In dealing with KOHLER, its business partners are required to comply with its obligations, including compliance with U.S. laws and regulations having extraterritorial effect.

3 Implementation of the requirements

We expect our suppliers to identify risks within their supply chains as well as take appropriate measures. In the event of suspected violations and to safeguard supply chains with increased risks, the Supplier will inform the Company promptly and, if necessary, regularly about the identified violations and risks as well as the measures taken.

KOHLER reserves the right to verify compliance with the standards and regulations listed in this document using a self-assessment questionnaire as well as sustainability audits at suppliers' production sites. The Supplier agrees that the Customer may conduct such audits to verify compliance with the Code at Supplier's premises during normal business hours after reasonable advance notice by persons authorized by the Supplier. The Supplier may object to individual audit measures if these would violate mandatory data protection regulations.

Should a violation of the regulations of this Code of Conduct be identified, the Customer shall notify the Supplier thereof in writing within one month and set a reasonable grace period for the Supplier to bring its conduct into compliance with these regulations. If such a violation occurred culpably and makes a continuation of the contract until the ordinary termination unreasonable for the Customer, the Customer may terminate the contract after the fruitless expiration of the set deadline, if he has threatened to do so when setting the grace period. A statutory right to extraordinary termination without granting a grace period shall remain unaffected, as shall the right to claim damages. KOHLER also reserves the right to terminate business relations in the event of non-compliance with this Code of Conduct.

4 Acknowledgment and consent of the Supplier

By signing this document, the Company undertakes to act responsibly and to comply with the principles/requirements listed. The Company undertakes to communicate the contents of this Code to employees, agents and subcontractors in a manner that is comprehensible to them and to take all necessary precautions to implement the requirements.

Place, date

Company signature