



KAEFER SUPPLIER CODE OF CONDUCT (SCOC)

KAEFER. When it counts, count on us.



KAEFER

When it counts

For over 100 years, KAEFER has stood for quality and trust toward customers, suppliers, and employees. Close cooperation with our suppliers is important to us to ensure high-quality results of our services.

KAEFER respects human rights, is committed to environmentally and socially responsible corporate governance, and aims to base its relationship with suppliers on trust, loyalty, consistent performance, professionalism, ethics, innovation, and sustainability.

We require this behaviour not only from ourselves, but also from our suppliers and their contracted companies in the supply chain. We see ourselves as part of a value chain and place our direct suppliers under obligation to pass along the principles and requirements described below to their suppliers as well. We strive to achieve healthy, sustainable growth together with our suppliers. KAEFER reserves the right to review and select suppliers and to demand preventive or corrective action on the basis of these criteria in line with KAEFER's risk management.

KAEFER is committed to upholding internationally recognised human rights in its Policy Statement on Human Rights and Environmental Protection. This SCoC is based on international frameworks, such as the UN Universal Declaration of Human Rights (UDHR), the UN International Covenant on Civil and Political Rights (ICCPR), the UN International Covenant on Economic, Social and Cultural Rights (ICESCR), the UN Guiding Principles on Business and Human Rights and the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO).

This SCoC is a mandatory part of all contracts with suppliers at KAEFER. You may contact our Supply Management Team if you have any questions.

Yours faithfully



Dr Roland Gärber
CEO



Sandro Barrach
COO



Karsten Wirth
CFO

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1. INTRODUCTION

The SCoC applies to all suppliers that deliver goods and / or services to KAEFER. For the purpose of this document, subcontractors and labour service providers are also referred to as suppliers.

By entering into a business relationship with KAEFER, the supplier agrees to comply with the principles and requirements set forth herein. The supplier confirms that it effectively communicates the content of this SCoC to its employees, agents, subcontractors, and suppliers and that it effectively places them under obligation to comply with the requirements of this document. It further assures that all necessary arrangements to comply with this SCoC are duly implemented.

The SCoC contains “requirements” that the supplier is expected to comply with and “recommendations” that the supplier is encouraged to comply with or implement. Additional supplier specific requirements related to the areas in this SCoC may be defined in commercial agreements with the supplier.

2. INTEGRITY

Compliance with Laws, Rules and Regulations

KAEFER expects the supplier to comply with all applicable laws, rules and regulations. The supplier is obliged not to tolerate, permit and / or carry out any form of illegal action.

Fighting Corruption

KAEFER does not tolerate any form of corruption. The supplier must therefore refrain from any form of corruption, granting of inappropriate advantages, and giving and taking of bribes and implement appropriate prevention, monitoring, and enforcement procedures to ensure this.

Conflicts of Interest

KAEFER expects the supplier to make business decisions that could negatively impact KAEFER solely based on objective business considerations, free from private interests. The supplier is obliged to avoid any form of conflict of interest. The supplier must promptly disclose to KAEFER any situation that constitutes or could constitute a conflict of interest and take appropriate steps to resolve it.

Competition and fair Business Practices

KAEFER does not tolerate and therefore does not engage in any business practices, transactions, or activities that violate competition laws. The supplier is required to comply with the rules of fair competition and to abide by applicable antitrust and competition laws.

Protection of confidential Information and intellectual Property Rights

To the extent that the supplier receives confidential information from KAEFER, such information will be used only in an appropriate manner and only within the scope of contractual obligations with KAEFER. The supplier must protect confidential information accordingly. The supplier must also ensure that data worthy of protection as well as intellectual property rights of KAEFER or third parties (own employees and business partners, etc.) are properly secured.

Export Control and Customs

The supplier must comply with all applicable customs and trade laws governing the import and export of goods, technology, software, services and financial transactions. Existing sanctions and embargoes must be observed.

The supplier will advise KAEFER of any possible licensing requirement, if they supply goods that are subject to export control in the event of a possible export.

Money Laundering and Financing of Terrorism

The supplier must take appropriate steps – considering its exposure to the risk of money laundering and financing of terrorism – to prevent money laundering and financing of terrorism in accordance with the applicable laws.

3. LABOUR AND HUMAN RIGHTS

Prohibition of Child Labour

KAEFER strictly opposes child labour. As a minimum, the supplier is required to adhere to the ILO Conventions on Minimum Age for Admission to Employment. The supplier must implement an appropriate mechanism to verify the age of employees. Young employees (below the age of 18) must not do work that is mentally, physically, socially or morally hazardous and must be restricted from night shifts with consideration given to educational needs.

Prohibition of Forced Labour and Slavery / Free Choice of Employment

The supplier confirms that it will not practice or tolerate forced labour, slavery, or labour of any such nature in its business or supply chain. All work must be voluntary, and employees must be able to end work or the employment relationship at any time with reasonable notice. Freedom of movement must not be forfeited, such as by unlawfully withholding documents or unreasonably restricting movement. The supplier must not charge illegal fees and deductions during recruitment and employment.

Contracts of Employment

All employees, including migrant workers, must be provided with a written employment contract in accordance with applicable laws in a language they understand. It must clearly indicate their rights and responsibilities regarding all working and employment conditions prior to employment. Any changes to the employment contract and the working conditions must follow applicable laws and be fully transparent to the employee.

Diversity, Non-Discrimination and Fair Treatment

Discrimination in any form is not permitted. The supplier must promote equal opportunity and equal treatment for its employees regardless of their origin, gender, nationality, sexual orientation, age, marital status, pregnancy, any disabilities, political or religious affiliation, union membership, or any other reason prohibited by law.

The personal dignity, personal rights, and privacy of each employee must be respected.

The supplier must take appropriate measures to prevent sexual harassment, sexual abuse, corporal punishment, and/or torture, mental or physical coercion, or verbal abuse, as well as threats of such conduct. Likewise, employment contracts should not be able to be terminated without cause.

Working Hours, Wages and other Benefits

The supplier must comply with the working time regulations as amended. Compensation including wages and other benefits must be paid regularly, in a timely manner, and in full to employees in accordance with applicable laws.

Wages and other benefits should be intended to provide employees and their families with a reasonable standard of living. Equal pay must be ensured for work of equal value.

KAEFER recommends that the supplier provides health insurance and social benefits to its employees and that the supplier offers appropriate training and development opportunities for its employees.

Freedom of Association and Collective Bargaining

The supplier must respect and uphold the freedom of association and the right to collective bargaining and communicate openly and constructively with workers and their representatives. In accordance with local laws, the supplier must respect the right of employees to form associations, form and join unions, appoint employee representation, form a works council, strike, and engage in collective bargaining. We expect that employees who are involved as employee representatives will not be disadvantaged.

In case of restrictions to freedom of association and collective bargaining resulting from national laws, KAEFER encourages the supplier to facilitate other forms of worker representation and employee participation.

Use of Security Personnel

If the supplier hires or uses security personnel, it must take measures, at least providing instructions and performing controls, to ensure that human rights violations are prevented.

Unlawful Eviction and Deprivation / Local Communities

The supplier is prohibited to unlawfully take, evict or deprive land, forests and waters. KAEFER expects the supplier to respect local cultures and communities. The supplier must aim to reduce negative impacts on these cultures and communities.

4. HEALTH AND SAFETY

Health and Safety in the Workplace

The supplier is responsible for a safe and healthy working environment for its employees. This includes, for example, the management of chemical, biological and physical hazards; excessively physically demanding activities in the workplace, and risks arising from the use of the infrastructure provided in the workplace. A healthy environment includes at a minimum access to drinking water, adequate lighting, good ventilation, and clean sanitation.

The supplier is required to provide adequate checks, safe work practices, preventive maintenance, and necessary engineering safeguards to minimise health and safety risks in the workplace. In addition, employees will receive regular instruction and training on applicable health and safety standards and measures. Potential emergency situations in the workplace must be identified and assessed. Contingency plans and reporting procedures should be provided in order to ensure that they are managed optimally and to reduce negative impacts.

Material Safety

The supplier will provide KAEFER and other parties with material safety data sheets containing all required safety-related information for all hazardous substances used.

5. ENVIRONMENT

Use of Resources and Environmental Protection

KAEFER expects the supplier to avoid or continuously reduce negative environmental impacts from resource consumption, noise emissions, emissions of air pollutants, water consumption, soil and water pollution and waste as far as possible.

KAEFER encourages the supplier to align its practices with the principles of circular economy (e.g. material reduction and substitution, repair and maintenance, reuse and recycling).

Climate Protection

KAEFER expects the supplier to take appropriate measures to reduce the emission of greenhouse gases (GHG), for example by using low emission technologies or renewable energies.

KAEFER encourages the supplier to calculate its GHG emissions according to the GHG Protocol and to share GHG emission data with KAEFER.

Waste, Wastewater and Contaminants

The supplier must comply with all applicable environmental standards and laws in dealing with wastewater, waste and contaminants. The supplier must take appropriate measures to prevent such substances from being (accidentally) spilled or released. Any bans relating to the import and export of (hazardous) waste must be observed by the supplier.

Prohibited and Hazardous Substances

The supplier undertakes not to manufacture, use, handle, or circulate any prohibited substances. Hazardous substances including persistent organic pollutants and mercury must always be dealt with in compliance with the applicable laws.

KAEFER encourages the supplier to substitute hazardous substances with less harmful substances.

6. MANAGEMENT SYSTEMS

Risk Management

KAEFER expects the supplier to regularly identify, assess and manage risks in all areas covered by this SCoC. The supplier must take appropriate measures to prevent, reduce or mitigate the risks.

Documentation

The supplier must ensure a complete and transparent documentation on the implementation of the requirements of this SCoC.

Responsible Sourcing

The supplier is required to source minerals and other high-risk materials responsibly. It must appropriately identify, assess and manage sustainability risks in its supply chain.

If applicable, KAEFER encourages the supplier to implement a due diligence system according to OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Continuous improvement

KAEFER expects the supplier to continuously improve its sustainability performance through appropriate measures.

7. REPORTING CONCERNS

KAEFER promotes transparency and lawful conduct based on an open corporate culture. Employees and business partners as well as third parties are therefore encouraged to report actual or suspected misconduct accordingly. KAEFER has established various reporting channels for this purpose, in particular the KAEFER Compliance Helpline at the following link: <https://www.bkms-system.com/kaefer>

The KAEFER Compliance Helpline can also be used for whistleblowing on matters relating to human rights and environmental concerns. This applies to whistleblowing on matters relating to the business of KAEFER as well as the business of a direct / an indirect supplier.

KAEFER expects the supplier to provide its employees and business partners with adequate and appropriate reporting channels or complaint mechanisms. Whistleblowers must be protected in accordance with the applicable legal requirements, and reports must be followed up appropriately.

KAEFER is aware that our practices may exacerbate and compound adverse social or environmental impacts, e.g. in the event of short-term changes / requests. KAEFER strives to minimise these impacts by engaging in responsible purchasing practices. The supplier is requested to inform KAEFER if our purchasing practices could have a negative impact on human rights and environmental concerns in a specific situation.

8. MONITORING AND ENFORCEMENT

KAEFER is entitled to regularly and appropriately review the measures taken by the supplier to ensure compliance with the provisions of this SCoC. Monitoring activities include self-assessment questionnaires, document reviews and on-site assessments (with reasonable advance notice). KAEFER will adhere to data protection, confidentiality and anti-trust requirements.

If KAEFER schedules training measures (e.g. regarding health and safety on sites), the supplier is required to attend with the relevant personnel.

In case of deviations from the requirements, KAEFER and the supplier will agree on effective measures to prevent, remedy, or eliminate violations (“action plan”). If desired and as far as reasonable, KAEFER will support the supplier in the implementation, for example by providing training materials.

KAEFER is committed to the principle of “engagement before disengagement”. We consider the

termination of a business relationship to be the last resort. KAEFER is entitled to terminate or suspend the business relationship with the supplier if:

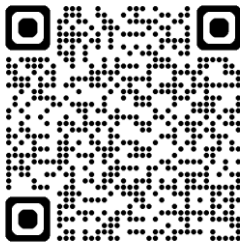
- 1) the violation is considered very serious,
- 2) the implementation of the measures developed in the corrective action plan does not remedy the situation after the time specified in the plan expired, or
- 3) KAEFER has no other milder means at its disposal and an increase in influence does not appear promising.

If you have any questions or suggestions regarding this SCoC, please get in touch with your contact person at KAEFER or contact our Corporate Strategy & ESG team:

esg@kaefer.com

To report about violations and concerns, please use the KAEFER Compliance Helpline:

KAEFER Compliance Helpline:
<https://www.bkms-system.com/kaefer>





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