

# Supplier Code of Conduct of the KEMPER Group of Companies



## Introduction by the Management

Dear Suppliers,

Gebr. Kemper GmbH + Co. KG is a family-run business with strong values, which has been operating since 1864. “*Fortschritt machen*” – “Making progress” – is not just a slogan for us, but our fundamental philosophy. We set equally high standards for the quality and sustainability of our products.

Our mission is to create products and services of the highest quality by using innovative and state-of-the-art technology. By taking social and economic responsibility, we promote and strengthen the German manufacturing sector.



It is our firm belief that economics and ethics are inextricably linked and that sustainable economic viability can only be ensured by adhering to moral and ethical values.

As a further step within our local and global responsibility, we, the management of Gebr. Kemper GmbH + Co. KG, are introducing the following Code of Conduct for Suppliers. In order to deliver on this responsibility, we also expect you, as our suppliers, to actively support us in upholding our high values, also downstream in the supply chain.

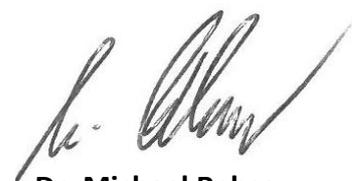
**Olpe, January 2022**



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## 1. Purpose/area of application

This Code of Conduct contains the essential rules and principles of behaviour that apply to all suppliers of KEMPER and serves to make suppliers of KEMPER aware of the fundamental legal and ethical requirements that KEMPER expects for our working together.

## 2. General principles

### Laws and regulations

As an elementary basic rule, KEMPER expects its suppliers to comply with the laws and regulations of the respective jurisdiction in which they operate. All suppliers are obliged to comply with the applicable national and international laws, trade customs and regulatory rules and requirements, maintain proper business documentation and disclose information where required by mandatory disclosure requirements.

KEMPER does not accept or tolerate any violations of applicable law in its own company and also requires its suppliers to comply with applicable rules and regulations.

### Export control and sanctions law

In particular, the supplier strictly undertakes to comply with national and international laws and regulations governing the import and export of goods, software and services. KEMPER requires its suppliers to introduce processes and procedures that are suitable to prevent import and export violations and to provide KEMPER, where requested, with information and evidence necessary for import or export activities.

### Interaction with business partners

KEMPER is committed to the principle of open interaction with its business partners. In particular, KEMPER seeks a fair and trustful cooperation with its suppliers in order to create an economically satisfactory situation for both parties. KEMPER also expects such behaviour from its suppliers and commits them to share this principle.

## 3. Compliance and integrity

### Integrity

KEMPER strictly adheres to its values and beliefs in everyday business. KEMPER requires its suppliers to share these values and beliefs.

**Fair competition**

KEMPER is committed to fair competition and hereby commits its suppliers to likewise act fairly and decently in the conduct of their own business activities.

**Conflicts of interest**

KEMPER hereby requires its suppliers to avoid situations that are likely to lead to conflicts of interest for themselves or for business partners. Every business decision must be made on the basis of an objective assessment and must be free from accepting personal benefits.

**Anti-corruption policy**

KEMPER expressly prohibits its suppliers from engaging in business practices involving bribery and granting advantages and requires a fair competition from its suppliers. Particularly in business relations with KEMPER suppliers are not permitted to grant personal benefits to KEMPER staff that are likely to influence relevant decisions of KEMPER staff.

Moreover, every supplier must report directly to KEMPER's management or to the KEMPER Compliance Officer any inappropriate conduct of KEMPER staff members that is likely to influence correct and objective decisions of the supplier by granting benefits.

**Money laundering and terrorism financing**

KEMPER commits its suppliers to strictly comply with the legal obligation to combat money laundering and terrorism financing. KEMPER further requires its suppliers not to engage in or facilitate activities related to money laundering and terrorism financing.

**Intellectual property and Counterfeits**

KEMPER is committed to intellectual property rights and will itself only use third-party intellectual property if the rights holder has expressly consented to such use. KEMPER expects its suppliers to behave likewise in a law-abiding manner. For manufacturing its products, the supplier undertakes to use only products and manufacturing processes that it has developed itself, that are free of third-party intellectual property rights or for which it has acquired the corresponding rights of use. We do not tolerate any intentional or negligent behaviour that leads to a reduction in the quality of KEMPER products. For this reason, we strictly prohibit the use of plagiarized or counterfeit materials.

#### **4. Working conditions and occupational safety**

##### **Human rights**

KEMPER respects the internationally proclaimed human rights and supports their protection within its sphere of influence. KEMPER requires the same behaviour from its suppliers and expects that its suppliers will not participate in actions that violate human rights.

##### **Anti-slavery, forced and child labour**

As a law-abiding company, KEMPER attaches great importance to preventing the criminal exploitation of human labour, such as human trafficking, but also forced or child labour, and expects its suppliers to share the same attitude.

KEMPER also expects its suppliers to fully comply with Art. 5 of the Charter of Fundamental Rights of the European Union and to openly support the ban on slavery and forced labour. KEMPER expects its suppliers to do everything in their power to ensure that slavery, forced labour and child labour are neither directly nor indirectly supported within their own supply chains.

##### **Anti-discrimination policy**

KEMPER is expressly committed to a working environment free of prejudice and discrimination and expects its suppliers to respect the personal dignity, privacy and moral rights of each individual and enable a respectful cooperation as partners. KEMPER does not tolerate any discrimination, either within its own company or among its suppliers, based on race, colour, nationality, ethnicity, gender, sexual identity, belief, ideology, political views, age, appearance or physical constitution. KEMPER prohibits any kind of sexual or other personal harassment or insults and mobbing, condemns any kind of coercion or violence or threat of violence, and also expects its suppliers to commit to this and to take legal action against the perpetrators.

##### **Freedom of association**

KEMPER requires its suppliers to respect the freedom of association and to uphold the right of its staff members to freedom of assembly and association and that each staff member is free to join a labour organisation or trade union or to form such an organisation or trade union. Moreover, KEMPER expects its suppliers to give their staff members the opportunity to voice their concerns in this respect at any time without restrictions.

### **Family-friendliness**

KEMPER has received many commendations as a family-friendly company. Hence, KEMPER proves that it is possible to combine career and family and is thus well-known as an attractive employer for professional and managerial staff. KEMPER also expects its suppliers to commit to family friendliness and thus to be a sustainable partner for KEMPER.

### **Working hours, wages and social benefits**

The supplier undertakes not to exceed the legally permissible number of working hours of its staff members. KEMPER expects its suppliers to pay their staff members an adequate wage in accordance with industry standards as well as national and local statutory requirements. KEMPER expects its suppliers to comply with the respective applicable statutory provisions on social benefits and to pay them duly according to the requirements of the economic area in which they operate.

### **Occupational safety**

KEMPER attaches great importance to good working conditions in its own companies and requires its suppliers to meet minimum standards in the following areas:

- Personal protective equipment
- Machine safety
- Emergency precautions
- Incident and accident management
- Workplace ergonomics
- Fire Protection

### **Promoting Diversity and Equal Opportunity**

We promote equal opportunity and do not tolerate discrimination<sup>1</sup>. We treat everyone equally, regardless of gender, age, colour, ethnic origin, sexual identity and orientation, disability, religious affiliation, ideology, or other personal characteristics.

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<sup>1</sup> ILO-Convention Nr. 111

## 5. Sustainable actions

### Environment

KEMPER commits to its responsibility for environmental protection and sustainability. KEMPER has therefore adopted regulations and guidelines to protect the environment. KEMPER also requires its suppliers to act and take responsibility, especially for reducing air pollution, energy and water consumption, as well as carbon emissions. To this end, we also expect our suppliers to provide specific data on this, such as its carbon footprint.

### Renewable Energy

KEMPER has taken appropriate environmental protection measures (e.g. the implementation of an operational environmental protection management system), which adequately cover the following topics:

- Goal setting, definition and implementation of measures and their continuous improvement;
- Environmental aspects such as the reduction of CO<sub>2</sub> emissions, the increase of energy efficiency and the use of renewable energies, the assurance of water quality and the reduction of water consumption, the assurance of air quality, the promotion of resource efficiency, the reduction of waste and its proper disposal and the responsible handling of hazardous substances for people and the environment.

KEMPER expects its suppliers to make the same efforts and to set themselves sustainable goals.

## 6. Conflict minerals

KEMPER supports authorities, non-governmental organisations and industry associations in their efforts to stop the trade of so-called conflict commodities in accordance with the Dodd Frank Wall Street Reform and Consumer Protection Act Section 1502 or equivalent European or national regulations. This applies in particular to the trade of 3TG materials (tin, tantalum, tungsten and gold) and cobalt mined under inhumane conditions in the Democratic Republic of Congo, neighbouring countries or other conflict and high-risk areas. By careful monitoring and auditing of the supply chain KEMPER ensures that such conflict minerals are neither procured nor processed in its own production. KEMPER requires its suppliers to exercise the same care in product selection and product monitoring and to inform KEMPER regularly, and in the manner required by KEMPER, about the status of its own initiatives in this area.

## **7. Data protection and information**

### **Protection of personal data**

Data protection and the confidentiality of personal data entrusted to KEMPER is a high priority for KEMPER. KEMPER shall process personal data exclusively in accordance with the requirements of the respective applicable data protection laws and undertakes to ensure appropriate data and IT security measures. In return, KEMPER requires its suppliers to establish and maintain an equally high level of protection. The supplier shall grant KEMPER insight into its data protection activities at any time and shall in particular disclose its records of processing activities and data protection impact assessments on KEMPER's request.

### **Information**

KEMPER shall treat the information submitted to it confidentially and also requires its suppliers to treat information submitted to them confidentially and with due care, even if no separate confidentiality agreement has been concluded in this respect. KEMPER shall hold the supplier liable under civil law if it falsifies information or knowingly passes on falsified information to KEMPER as true facts in order to obtain economic benefits.

### **IT security**

For all operational and personal data submitted by KEMPER, KEMPER expects maximum protection against unauthorised access. To this extent, KEMPER requires its suppliers to design secure IT systems and to service them regularly.

## **8. Whistleblowing and Protection from Retaliation**

KEMPER attaches great importance to a correct, open and transparent business policy. Violations can be reported via a dedicated whistleblowing hotline. KEMPER expects the same degree of care from its suppliers.

## **9. Protection of corporate assets and sanctions**

KEMPER attaches great importance to the protection of the above-mentioned corporate values and requires its suppliers to comply with these values or to apply equivalent codes of conduct and to implement them in their own supply chains. KEMPER reserves the right to terminate the business relationship with the supplier without notice in the event of material breaches of legal requirements or material provisions of this Code. Furthermore, we reserve

the right to systematically check the application of this Code of Conduct by our suppliers on an ad hoc basis. This may take the form of questionnaires, assessments or audits.