

## Introduction

The Klaus Kroschke Group<sup>1</sup> is a successful, medium-sized corporate group. The companies operate businesses in occupational safety, security, shipping and product labelling, label printers as well as hardware and software systems for the logistics sector, providing their products and services through various sales channels. The synergies within the group are used to optimise processes, products and services in order to meet the requirements and needs of the customers in the best possible way.

Satisfied customers form the basis for the economic success of our growing corporate group. With outstanding quality, the best service and a fair price-performance ratio, we ensure the high satisfaction of our customers.

Motivated and committed employees are essential for the company's success; nurturing and using their skills and abilities serves both us and our partners.

Founded in Braunschweig in 1957, we are aware of our responsibility towards people and the environment. We are convinced that sustainable and environmentally friendly action contributes significantly to the economic success of our corporate group. The economical use of resources and the consistent avoidance of harmful environmental impacts protects the environment for us all.

With this self-perception in mind, this Code of Conduct formulates the standards for our corporate activity and those of our suppliers and partners in 13 principles.

It is based on the following internationally recognised guidelines:

- United Nations Universal Declaration of Human Rights
- United Nations Global Compact
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development
- United Nations Convention Against Corruption (UNCAC)

## 1. Compliance with laws

Kroschke complies with all laws applicable to the corporate group at all levels. This is because it is in our own interest, the interest of our employees and the benefit of our customers because many of our products are subject to strict legal requirements. Implementing national and international laws, standards and guidelines is, therefore, of enormous importance to us and, at the same time, a matter of course because this is how we ensure the safety of our products and, in doing so, the safety of our customers.

## 2. Prevention of child labour

Kroschke observes the regulations of the United Nations regarding human and children's rights. We notably undertake to comply with the ILO Minimum Age Convention 138 with regard to the Minimum Age for Admission to Employment and ILO Convention 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour.

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<sup>1</sup> This refers to all of the Klaus Kroschke Group's subsidiaries located in Germany.

### 3. Prevention of forced labour

Kroschke is committed to the prohibition of all forms of forced labour in accordance with ILO Conventions 29 and 105. We require that our suppliers also do not permit any form of forced labour in their companies.

### 4. Prohibition of discrimination

Kroschke firmly rejects all forms of discrimination in the workplace in accordance with ILO Conventions 100, 111, 158 and 159. We support equal opportunities and diversity. Decisions that have a direct impact on employees (recruitment, promotion, further training, etc.) are made on the basis of the individual skills and qualifications of the employees concerned. Criteria such as gender, age, religion or ideology, race, caste, social or ethnic origin, disability, nationality, sexual identity, political position, personal relationships, membership in employee organisations or other personal qualities have no influence on decisions.

### 5. Fight against corruption

Kroschke rejects any form of corruption and complies with the United Nations Convention Against Corruption. Bribery, blackmail and the general influencing of decisions through improper benefits, such as inappropriate cash or non-cash gifts, have no place in our companies. We deal with conflicts of interest in a transparent manner. If those affected disclose a conflict of interest, they will not find themselves placed at a disadvantage as a result.

### 6. Restrictive practices law and free competition

Kroschke stands for fair and free competition among market players and compliance with the corresponding national regulations. Unfair competition, price fixing with other companies and comparable agreements are unacceptable to us.

### 7. Ensuring fair working conditions

Kroschke makes sure all employees work under fair conditions. This includes compliance with national laws and regulations on working hours as well as the right to adequate pay. Wages and salaries correspond at least to the statutory minimum wages or applicable collective wage agreements. Kroschke encourages employees' personal and professional qualification.

### 8. Health and safety at work

As a manufacturer and retailer of occupational safety products, the safety and health protection of our employees is part of our corporate group's selfperception and makes an important contribution to our success. With diverse, appropriate action and programmes, we offer our employees a safe and healthy working environment that at least conforms to the legal framework for health protection and occupational safety. We keep the risks to which our employees are exposed in their work as low as possible and, in accordance with ILO Convention 155, ensure that working conditions are designed in a way that meets the needs of our employees so that health issues are avoided and accidents are prevented.

### 9. Freedom of association

Kroschke respects the right of all employees to freedom of association and collective bargaining in accordance with ILO Conventions 87 and 98. All employees are free to form or become members of employee representation groups. This does not give our employees a disadvantage. Furthermore, employees or their representatives may enter into company-level agreements or negotiate and conclude collective wage agreements.

## 10. Environment and resources

Kroschke complies with the applicable national environmental laws and regulations. The use of modern and efficient technologies enables us to comply with the relevant environmental standards. We also consider careful contact with our environment and available resources as a contribution to safeguarding the future of our company in a sustainable and ecologically responsible way. Preventive action helps us to keep environmental risks as low as possible and to avoid negative impacts on the environment.

take various actions in accordance with Section 3 I No. 1-9 LkSG. Kroschke is not directly covered by the LkSG's scope of application. Therefore, we are not legally bound to take certain action. Nevertheless, we take our social responsibility very seriously and are aware of our responsibility within the supply chain. We select our suppliers and business partners only on the basis of previously defined criteria and reserve the right to check compliance with the criteria on site at our suppliers and business partners.

## 11. Code of Conduct as a contract component

Kroschke conveys the principles mentioned in this Code of Conduct not only as a guideline for our own actions; it is, in fact, a fundamental component of our contractual relations with our business partners. Therefore, we expect them to take at least the same standards as a basis for their actions.

## 12. Sanctions for violations

We consider violations against legal regulations and the standards set out in this Code of Conduct by contractual partners for which they are responsible as an essential breach of contract, which forces us to take consistent action, such as initiating the appropriate legal steps and terminating business relations for good cause (Section 314 German Civil Code – BGB). If we terminate business relations, this shall be done in consideration of all circumstances of the individual case and weighing up the mutual interests of the parties to the contract.

## 13. Responsibility within the supply chain

The German Supply Chain Due Diligence Act (LkSG) supports companies in ensuring the protection of human rights and the environment within the supply chain. Companies directly bound by the LkSG must