



Supplier Code of Conduct

KESSEL

Definition of the term “KESSEL”

In this Supplier Code of Conduct, the term “KESSEL” refers to KESSEL SE + Co. KG and all of its subsidiaries.

Preface

At KESSEL, we see ourselves not only as a company, but also as part of a global community that bears responsibility for people and the environment. Our mission goes beyond economic objectives and includes our commitment to a sustainable future.

With this Supplier Code of Conduct, we clearly communicate our expectations towards suppliers and business partners. It is based on internationally recognised frameworks such as the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Together with our suppliers and business partners, we aim to shape business relationships based on integrity, transparency, respect, responsibility and sustainable conduct.

Scope of application

This Supplier Code of Conduct applies to all companies and persons that supply KESSEL directly or indirectly with goods or services. This includes, in particular, suppliers, service providers, subcontractors, representatives and associated partners involved in the provision of services.

Responsibility does not end with the direct contractual relationship. Suppliers are obliged to appropriately pass on the standards described in this Supplier Code of Conduct to their relevant sub-suppliers and partner companies and to promote compliance with these standards within their sphere of influence.

General commitment to ethical principles

Suppliers and business partners undertake to comply with the standards described in this Supplier Code of Conduct. If certain matters are not expressly regulated, the obligation remains to always act in accordance with the principles of integrity, honesty, fairness and responsibility.

Suppliers and business partners must ensure that their business activities comply with applicable legal requirements as well as internationally recognised principles of social, environmental and economic responsibility. In the event of uncertainty regarding the interpretation or application of individual requirements, we expect open and proactive dialogue with KESSEL.

Compliance with legal requirements

Suppliers of KESSEL are obliged to comply with all applicable local and international laws and regulations. This includes, in particular, requirements relating to the protection of human and labour rights, environmental protection, data protection, product safety, export control, sanctions, anti-money laundering, fair competition and anti-corruption.

Where legal requirements – in particular those arising from the German Supply Chain Due Diligence Act (LkSG) – are applicable, KESSEL takes them into account within the framework of its due diligence obligations. Suppliers support KESSEL appropriately in this respect, in particular through risk-based preventive and remedial measures, transparency and cooperation in clarifying relevant matters.

If this Supplier Code of Conduct contains stricter requirements than existing legal regulations, the requirements of this Code shall take precedence to the extent legally permissible. If conflicts arise between local legal requirements and this Supplier Code of Conduct, KESSEL must be informed without delay.

Social responsibility and human rights

Respect for and protection of human rights

At KESSEL and among its partners, respect for and protection of human rights are of the highest priority. Suppliers are obliged to ensure that the rights of all employees and affected persons are respected in all areas of their business activities.

Any form of human rights violation is firmly rejected. Suppliers must take appropriate measures to prevent violations of human dignity and create a working environment that promotes freedom, safety and respect.

Legitimate property, use and access rights of affected persons and communities must also be respected. Any involvement in unlawful interference with housing, land, forests or water resources is rejected.

Zero tolerance for child labour

The protection of children is an unwavering commitment. KESSEL expects its suppliers to comply with international standards for the prevention of child labour. Child labour is unacceptable under all circumstances. Suppliers must take appropriate measures to ensure that minors are not unlawfully employed in the value chain.

Combating forced labour

Any form of forced or compulsory labour is strictly prohibited. Suppliers must ensure that all employment relationships are based on voluntary consent and that no person is forced to work under threat of punishment, violence, intimidation or other unlawful means of pressure. Modern slavery, human trafficking and any form of coerced labour have no place in KESSEL supply chains.

Promoting diversity and inclusion

Discrimination of any kind has no place in KESSEL values. Suppliers must promote a working environment that is free from prejudice, where respectful interaction is practised and all employees are treated equally. Discrimination on the grounds of sex, national or ethnic origin, religion, belief, sexual orientation, age, disability or other personal characteristics is strictly prohibited.

Appropriate working hours and fair remuneration

Employees' working hours must comply with applicable laws, industry standards or relevant ILO conventions, whichever is stricter. Suppliers are obliged to pay at least the statutory or industry-standard minimum wage applicable in the respective country. In countries without statutory minimum wages, remuneration must be sufficient to cover employees' basic needs. Work of equal value must be remunerated equally.

Health and safety at work

Suppliers must create a safe working environment that minimises hazards and prevents damage to health and workplace accidents. This includes, in particular, the provision of appropriate protective equipment, regular safety instructions, suitable emergency plans and compliance with relevant occupational health and safety regulations.

Environmental responsibility

Environmental protection as a shared objective

KESSEL works together with its suppliers to protect the environment. The objective is to identify and avoid environmental risks at an early stage, strengthen environmental awareness and promote environmentally friendly technologies. Suppliers should observe the precautionary principle and appropriately train their employees in order to promote sustainable thinking and action in the supply chain.

KESSEL encourages its partners to develop innovative solutions that conserve resources, reduce environmental impacts and contribute to a sustainable future.

Measures to reduce emissions

The reduction of emissions – in particular greenhouse gases – is an essential component of sustainable business for KESSEL and its partners. Suppliers are encouraged to continuously analyse their energy consumption and implement suitable measures to improve energy efficiency and reduce CO₂ emissions. This includes, in particular, energy-efficient production processes, the use of resource-saving technologies and – where economically and technically reasonable – the use of renewable energy. The aim is to jointly reduce environmental impacts along the supply chain step by step.

Resource efficiency

Responsible and efficient use of resources is an essential component of sustainable conduct. Suppliers should design their processes so that material use, energy consumption and waste generation are continuously optimised. Promoting recycling, reuse and the use of sustainable and resource-saving materials supports long-term responsible value creation. Conscious handling of raw materials helps reduce environmental impacts and preserve natural resources for future generations.

Protection of human health and the environment

The protection of human health and the environment is an essential component of responsible and sustainable conduct. Suppliers are obliged to identify, assess and minimise possible impacts of their business activities on people, the environment and natural resources through appropriate measures.

Production and work processes must be designed in such a way that health and safety risks, workplace accidents and environmental impacts are avoided as far as possible. The handling of chemicals, hazardous substances, emissions and waste must comply with applicable legal requirements as well as recognised safety and environmental standards. Hazardous substances must be properly handled, stored, labelled and disposed of.

Quality, management systems and certificates

Suppliers are obliged to comply with the agreed quality requirements and to continuously develop their processes. Relevant management systems and internationally recognised standards for quality, environment, energy, occupational health and safety and responsible corporate governance should serve as guidance for continuous improvement.

KESSEL welcomes suitable evidence and certifications, particularly in the areas of quality, environment, energy and occupational health and safety, for example according to ISO 9001, ISO 14001, ISO 50001, ISO 45001 or comparable standards. Such certificates may be taken into account in supplier evaluations on a risk-based basis, but do not constitute a general exclusion criterion, provided that legal, contractual and quality-related requirements are otherwise appropriately fulfilled. Upon request, suppliers shall provide existing certificates or equivalent evidence.

KESSEL begrüßt geeignete Nachweise und Zertifizierungen, insbesondere in den Bereichen Qualität, Umwelt, Energie und Arbeitsschutz, zum Beispiel nach ISO 9001, ISO 14001, ISO 50001, ISO 45001 oder vergleichbaren Standards. Solche Zertifikate können risikobasiert in die Lieferantenbewertung einfließen, stellen jedoch keine pauschale Ausschlussvoraussetzung dar, sofern gesetzliche, vertragliche und qualitätsrelevante Anforderungen anderweitig angemessen erfüllt werden. Auf Anfrage stellen Lieferanten vorhandene Zertifikate oder gleichwertige Nachweise zur Verfügung.

Business ethics, integrity and fair competition

Anti-corruption and fair competition

Integrity and transparency are the foundation of our business relationships. Suppliers are obliged to act ethically and refrain from any form of bribery, corruption, fraud, extortion and unfair competition. Business decisions must be based on objective and transparent grounds and must not be influenced by personal interests.

Suppliers must comply with applicable competition and antitrust laws. Unlawful agreements, price fixing, market allocation or other anti-competitive practices will not be tolerated.

Conflicts of interest, gifts and benefits

Suppliers must transparently disclose actual or potential conflicts of interest that could influence the business relationship with KESSEL. Gifts, invitations or other benefits may only be granted or accepted within the scope of customary business practices and to an appropriate extent. Benefits that could create the impression of improperly influencing business decisions are prohibited.

Data protection, confidentiality and intellectual property

Suppliers must protect personal data as well as confidential business and company information in accordance with applicable data protection laws and contractual agreements. Sensitive information received may only be used within the framework of legal requirements and the respective business agreements.

When cooperating with KESSEL, confidential information may only be shared if appropriate protective measures are in place. This includes, in particular, the conclusion of suitable Non-Disclosure Agreements (NDAs) where the nature and scope of the cooperation so require. KESSEL intellectual property, know-how and company assets must be protected against unauthorised use or disclosure.

Sanctions law, export control and anti-money laundering

Suppliers must comply with all applicable regulations on export control, embargoes, sanctions, anti-money laundering and terrorist financing. Business partners, payment channels and transactions must be traceable, plausible and compliant with applicable law. Suspicions or unusual payment terms must be reviewed without delay and reported to KESSEL if relevant.

Cybersecurity and digital responsibility

Suppliers must take appropriate measures to protect IT systems, data and digital interfaces. This includes, in particular, protection against unauthorised access, data loss, cyberattacks and other security incidents. Security incidents with a possible connection to KESSEL, KESSEL data or KESSEL systems must be reported without delay.

Transparency and communication

KESSEL expects its suppliers to maintain an open and responsible communication culture. Potential violations of laws, contractual requirements or this Supplier Code of Conduct must be reported to KESSEL without delay if they may affect the business relationship, the supply chain or the interests of KESSEL.

Suppliers are obliged to establish and effectively implement legally required whistleblower or grievance procedures where such obligations apply to them. In addition, suppliers should create or use appropriate reporting channels through which employees and relevant third parties can confidentially report concerns or potential violations. Reporting persons must be protected against disadvantage or retaliation.

Extended requirements for the supply chain

The standards of this Supplier Code of Conduct apply not only to direct suppliers, but should also be appropriately passed on and implemented along the relevant supply chain. Suppliers are obliged to inform their relevant sub-suppliers accordingly and, within their sphere of influence, work towards compliance with the defined standards.

Suppliers ensure that employees responsible for the business relationship with KESSEL or the fulfilment of relevant services are appropriately informed about the contents of this Supplier Code of Conduct and support its implementation.

Cooperation obligations, evidence and remedial measures

If suppliers become aware of violations of this Supplier Code of Conduct, they must inform KESSEL without delay and actively cooperate in clarifying the matter. The legitimate interests of suppliers, the rights of employees and the protection of personal data and trade secrets must be safeguarded.

KESSEL may request appropriate information, evidence or action plans from suppliers regarding compliance with this Supplier Code of Conduct. In the event of identified risks or violations, suppliers are obliged to take suitable preventive or remedial measures and monitor their effectiveness.

Consequences of violations

Violations of this Supplier Code of Conduct may affect the business relationship with KESSEL. Depending on the severity and nature of the violation, KESSEL may take appropriate measures, including requesting remedial action, restricting cooperation or – in serious cases – terminating the business relationship.

Monitoring and continuous development

KESSEL reviews this Supplier Code of Conduct regularly and adapts it where necessary to new legal, social or internal company requirements. Suppliers are invited to contribute feedback and suggestions for improvement in order to continuously develop cooperation and the implementation of responsible supply chains.

Publication and current version

The current version of this Supplier Code of Conduct as well as further information on sustainability, compliance and responsible corporate governance are published on the KESSEL website. Suppliers are encouraged to keep themselves regularly informed about updates.

Closing statement

KESSEL regards its suppliers as important partners in implementing sustainable and responsible business strategies. Together, we work to strengthen supply chains and promote high standards of ethical, environmental and social conduct. Open, fair and transparent cooperation is the basis for long-term shared success.