

Code of Conduct for Business Partners of Klein Elektronik GmbH



FOREWORD

Klein Elektronik is committed to economic, ecological, and social actions to improve the quality of life and secure the living conditions for future generations. Klein Elektronik is dedicated to upholding international human rights and social standards throughout the value chain and considers ethical and sustainable actions as fundamental. The standards and processes are based on various international guidelines and principles. Business partners are required to adhere to these principles and train their employees accordingly. Compliance with these principles also applies to suppliers and other third parties acting on behalf of Klein Elektronik.

PRINCIPLE OF LEGALITY

Klein Elektronik places great emphasis on strict legality in all actions, measures, contracts, and other internal processes and expects the same from its business partners. Compliance with this principle of legality includes timely payment of all due taxes and duties, strict adherence to competition and antitrust laws, a consistent prohibition of corruption and money laundering, the adoption of the latest technologies, the procurement of necessary official permits, strict adherence to export control laws, and consideration of legal rights of third parties and regulations protecting social and environmental standards.

SOCIAL STANDARDS

Human Rights:

Klein Elektronik expects its business partners to fully respect internationally recognized human rights in accordance with the United Nations Guiding Principles on Business and Human Rights. This includes the protection of local communities, indigenous peoples, and human rights defenders.

Child Labor:

Our business partners commit to employing only individuals who have reached the legally required minimum age and to not tolerate child labor. Compliance with ILO Conventions No. 138 and No. 182 is mandatory.

Forced Labor:

Klein Elektronik demands a strict rejection of any form of forced labor, including human trafficking, torture, and slavery. The principle of free choice of employment must be respected.

Freedom of Association:

The right of employees to form and join trade unions is supported by Klein Elektronik. Union membership must not result in unjustified discrimination, and the right to collective bargaining and strikes must be ensured in accordance with legal regulations.

Equal Opportunity and Fair Treatment:

Klein Elektronik expects its business partners to tolerate no discrimination based on skin color, ethnic origin, gender, age, nationality, social or religious affiliation, disability, sexual orientation, worldview, or political and trade union activity. Any form of harassment is equally unacceptable. Equal pay for equal work must be granted regardless of gender, in accordance with ILO conventions.

Fair Working Conditions:

Our business partners commit to ensuring fair working conditions in accordance with applicable ILO conventions. This includes fair remuneration and social benefits that at least meet national and local legal standards. Compliance with legal minimum wage regulations as well as working time, break, and vacation regulations is obligatory.

Occupational Health and Safety:

Our business partners are required to comply with national standards for a safe and hygienic work environment. They must take appropriate measures to ensure health and safety at work to guarantee health-appropriate working conditions. Manufacturers among our business partners are to consider the introduction and development of an occupational health and safety management system in accordance with ISO 45001 or an industry-specific system.

Protection against Forced Evictions and Land Seizure:

Our business partners commit to not carrying out illegal forced evictions and not illegally acquiring, cultivating, or otherwise using land, forests, or water bodies.

Use of Security Forces:

Our business partners must not hire or use private or public security forces if this poses a risk of torture, cruel or inhuman treatment, or interference with the right to freedom of association and coalition, especially in the absence of sufficient training or control by the company.

ENVIRONMENTAL STANDARDS

Environmental Protection:

Our business partners commit to acting according to the precautionary principle to minimize risks to people and the environment and protect natural resources for food production. Their processes, facilities, and equipment must comply with applicable environmental protection laws and regulations. Manufacturers among our business partners commit to the introduction and development of an environmental management system in accordance with ISO 14001 or an industry-specific system. They are expected to take measures to effectively implement the goals of ISO 14001.

Climate Protection:

Our business partners are encouraged to take sustainable measures for climate protection, such as increasing energy efficiency and using renewable energy. They are expected to transparently report their CO2 emissions and set ambitious CO2 reduction targets.

Water Consumption and Quality:

Our business partners commit to using water resources carefully, especially in water-scarce areas. They must ensure access to drinking water and sanitary facilities and set and monitor standards for wastewater quality in accordance with legal requirements and official regulations.

Air Quality and Soil Quality:

Our business partners comply with applicable legal requirements and official regulations regarding air and soil quality.

Materials and Disposal:

Our business partners are expected to minimize the environmental impact of their business activities and use resources efficiently. Where possible, materials should be reused. They must always comply with applicable legal regulations and official requirements.

Code of Conduct for Business Partners of Klein Elektronik GmbH

Substances of Concern:

Our business partners must ensure material compliance, including legal prohibitions, restrictions, and declaration requirements. This includes the prohibition of mercury in products and manufacturing processes in accordance with the Minamata Convention, the prohibition of certain chemicals under the Stockholm Convention on Persistent Organic Pollutants, and the prohibition of exporting hazardous waste in accordance with the Basel Convention.

BUSINESS RELATIONSHIPS

Avoidance of Conflicts of Interest:

Our business partners should make decisions based on objective criteria and not be influenced by personal interests. They are required to identify potential conflicts of interest, take measures to eliminate them, and promptly inform Klein Elektronik.

Free Competition:

Our business partners must act fairly in competition and comply with applicable legal regulations to protect free competition. They must not make agreements that impair competition or abuse a dominant market position.

Corruption:

Our business partners are required to comply with anti-corruption laws and ensure that their employees, subcontractors, and representatives do not pay bribes to Klein Elektronik employees to obtain contracts or other advantages. These principles also apply to cooperation with third parties within their activities for Klein Elektronik.

Money Laundering:

Our business partners must comply with applicable legal provisions on money laundering prevention and properly fulfill their reporting obligations.

Conflict Minerals:

Our business partners are obligated to prevent the financing of armed groups and comply with applicable legal requirements regarding conflict minerals.

Data Protection and Data Security:

Our business partners are required to ensure the right to informational self-determination and the protection of personal data and business information in accordance with applicable data protection and information security laws.

Customs and Export Control Regulations:

Our business partners comply with international customs and export control regulations and actively exchange relevant information to ensure a secure supply chain.

WHISTLEBLOWER SYSTEM

Every business partner, as well as their employees or affected parties, are called upon to report potential suspicions and violations of this Code of Conduct. This aims to limit the impact of such violations and prevent similar incidents in the future. For this purpose, business partners should either establish their own whistleblower system or join an industry-wide system. Reports can be submitted to Klein Elektronik at the email address compliance@klein-elektronik.com. Our business partners inform their employees about this possibility to submit information.

COMPLIANCE WITH THE CODE OF CONDUCT

Controls:

Klein Elektronik reserves the right to reasonably review compliance with this Code of Conduct. The business partner is required to actively support these reviews. The details regarding scope, time, and place will be agreed upon between Klein Elektronik and the business partner. Inquiries and requests for information must be answered by the business partner within a reasonable time and in compliance with the specified formalities in accordance with applicable data protection laws.

Remedial Measures:

Violations, especially of human or environmental obligations, must be immediately ceased. If this is not possible in the short term, the business partner must immediately develop and implement a plan to end or minimize the violation, including a concrete timeline. The measures taken must be documented and reviewed for effectiveness. Suspected violations must be promptly clarified, and Klein Elektronik must be informed about the clarification measures taken.

Consequences of Violations:

A violation of the obligations described in the Code of Conduct constitutes a breach of contract with Klein Elektronik and significantly impairs the business relationship. The business partner must inform Klein Elektronik within a reasonable time about the internal measures taken to prevent future violations. If the business partner fails to comply with their obligations or fails to take appropriate remedial measures, or if the violation is severe enough to make the business relationship unacceptable, Klein Elektronik reserves the right to terminate or withdraw from the contractual relationship.