

**Released:**



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04/24/2024, signature



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04/24/2024, signature

**Preamble**

The Klaus Kroschke Group<sup>1</sup> is a successful medium-sized group of companies. The companies from the fields of occupational safety, security, shipping and product marking, label printers as well as hardware and software systems for logistics offer their products and services through various sales channels. The synergies within the group are used to optimize processes, products and services in order to align themselves in the best possible way with the requirements and needs of customers.

Satisfied customers form the basis for the economic success of our growing group of companies. 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 indispensable for the company's success. Promoting and utilizing their skills and abilities serves us and our partners.

Founded in Braunschweig in 1957, we are aware of our responsibility for people and the environment. This Code of Conduct sets out the binding standards for our business activities in 23 principles. We expect our suppliers and partners to align their business activities at least to the same or equivalent standards. The Code is based on the following generally accepted international guidelines:

- United Nations Universal Declaration of Human Rights
- United Nations Global Compact

- Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO)
- Rio Declaration on Environment and Development
- United Nations Convention against Corruption (UNCAC)
- Stockholm Convention for the Protection of Human Health and the Environment against Persistent Organic Chemicals (POPs)
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal

**1. Compliance with laws**

We comply with all applicable laws, regulations and other legal provisions in the respective countries in which we operate. All employees are required to inform themselves about the regulations applicable to their area of responsibility and to comply with them. The Group's legal department is available to advise each employee.

**2. Prohibition of child labor**

We observe the regulations of the United Nations on human and children's rights. In particular, we undertake to comply with ILO Convention 138 on the minimum age for admission to employment and ILO Convention 182 on the prohibition and immediate action for the elimination of the worst forms of child labor.

<sup>1</sup> This refers to all subsidiaries of the Klaus Kroschke Group based in Germany and Austria

### 3. Prohibition of forced labor

We are committed to the prohibition of all forms of forced labor in accordance with ILO Conventions 29 and 105. Work is always voluntary and without threat of punishment. Workers are treated fairly and with respect. We assume that our suppliers and business partners also comply with these principles.

### 4. Prohibition of discrimination

In accordance with ILO Conventions 100, 111, 158 and 159, we firmly reject any form of discrimination in the work environment. Starting with personnel recruitment, we take care to treat applicants fairly and equitably in terms of equal opportunities. To the extent permitted by law, application and recruitment processes are designed to be transparent. Decisions, such as hiring, promotion, further training, etc., are always made on the basis of the individual abilities and qualifications of the persons concerned. Criteria such as gender, age, religion or ideology, race, caste, social or ethnic origin, disabilities, nationality, sexual identity, political stance, personal relationships, membership in employee organizations or other personal characteristics have no influence on decisions. We advocate a diverse and broad-based employment structure.

### 5. Preservation of fair working conditions

We ensure fair working conditions for all employees. This includes compliance with national laws and regulations on working hours as well as the right to adequate remuneration. Wages and salaries correspond at least to the statutory minimum wages. Wage deductions as a sanction mechanism are not permitted and are out of the question for us. We promote the personal and professional qualification of employees.

### 6. Health and safety at work

As a manufacturer and distributor of occupational safety products, the safety and health protection of our employees is part of the self-image of our corporate group and makes an important contribution to our success. With a wide range of appropriate measures and programs, we offer our employees a safe and healthy working environment that at least

complies with the legal framework for occupational health and safety. We keep the risks to which our employees are exposed in the course of their work as low as possible and, in accordance with ILO Convention 155, ensure that working conditions are designed in line with requirements to prevent adverse health effects and accidents.

### 7. Use of private or public security forces

Should the use of security forces be necessary in the work context, we take strict care to ensure that the rights of all employees are respected. No security forces will be assigned that

- a) disregard the prohibition of torture and cruel, inhuman or degrading treatment
- b) Injure life or limb or
- c) disregard employees' freedom of association and freedom to organize.

### 8. Freedom of association

In accordance with ILO Conventions 87 and 98, we respect the co-determination rights of all employees. All employees are free to establish employee representative bodies for the purpose of promoting and protecting the interests or to become members of such an association. Employees will not suffer any disadvantages as a result.

### 9. Fight against corruption

We firmly reject corruption and observe the United Nations Convention against Corruption. Bribery, extortion and the general influencing of decisions through improper benefits, such as inappropriate gifts of money or goods, have no place in our companies.

### 9a. Financial responsibility and disclosure of information

All relevant business transactions are transparently documented and accounted for in our books in accordance with established procedures, auditing standards and generally accepted principles.

### **9b. Gifts and invitations**

To ensure that undue influence is avoided, we have issued a guideline on the handling of gifts and invitations, which must be observed by all employees of the Kroschke Group and our partners and suppliers. The guideline can be viewed [here](#).

### **9c. Donations and sponsoring**

We are committed to society and support charitable, sporting and cultural institutions in particular. In order to make donations and sponsoring measures in compliance with the rules, we ensure transparent business relationships. No direct or indirect donations are made to political organizations, parties or individual politicians. Potential and existing recipients are screened and all activities are approved by the owners of the group of companies (4-eyes principle).

### **10. Dealing with conflicts of interest**

In business transactions, it can happen that different interests collide. A conflict of interest exists when decisions in connection with professional activities are influenced by private interests or personal relationships. Conflicts of interest are handled transparently in order to maintain fairness in competition. If those affected disclose a conflict of interest, they do not suffer any disadvantages as a result.

### **11. Antitrust law and free competition**

We stand for fair and free competition among market participants and compliance with the relevant national regulations. Unfair competition, price agreements with other companies and comparable arrangements are unacceptable measures for us.

### **12. Handling confidential information**

We treat sensitive information, whether oral or written, with due care. Confidential information will not be disclosed to unauthorized third parties. In order to maintain confidentiality, we conclude confidentiality agreements with our employees, business partners and suppliers that take effect beyond the termination of the employment or business relationship. Confidential information is not used for personal gain.

### **13. Protection of intellectual property**

Intellectual property may be protected, for example, by copyright, trademark and patent law or as a trade secret. We take care to use or distribute intellectual property or protected works only with the consent of the author or license holder. We expect the same from our suppliers and business partners.

### **14. Data protection**

The protection and security of personal information of employees, customers, suppliers and business partners is very important to us. The collection, storage, processing or transfer of personal data is always carried out in accordance with the applicable laws, in particular the General Data Protection Regulation. Employees of the Kroschke Group are requested to immediately report any deficiencies found to their supervisor, the Group Legal Department or the Data Protection Officer.

### **15. Use of resources**

We see the careful use of our environment and available resources as a contribution to securing the sustainable and ecologically responsible future of our company. It is a matter of course for us to use our resources in an efficient and environmentally friendly manner. We are constantly working to make our products more sustainable (e.g. by using sustainable materials).

#### **15a. Water quality, consumption and management**

We comply with the applicable regulations on the handling of wastewater and endeavor to reduce the generation of wastewater. We use water sparingly and responsibly.

#### **15b. Energy consumption**

We monitor our energy consumption and strive to continuously reduce it. We are increasingly focusing on the use of renewable energies, such as wind and solar power. We generate some of the electricity we need using solar power.

### **15c. Dealing with air emissions**

We monitor our emission sources. We strive to continuously reduce greenhouse gas emissions in our immediate business area in order to achieve climate neutrality by 2050 in accordance with the European Green Deal. In doing so, we are also helping to improve the quality of the air we breathe.

### **16. Protection of the environment**

We comply with the applicable national environmental laws and regulations. We meet the relevant environmental standards through the use of modern and efficient technologies. Preventive measures help us to keep environmental risks as low as possible and avoid negative effects on the environment.

### **16a. Land quality and rights, land use and deforestation**

We respect the legitimate rights of others to land, water and forests. We do not participate in illegal deforestation to protect ecosystems and biodiversity.

We comply with national regulations regarding the use of substances that are harmful to the environment, soil or water. This is our contribution to soil conservation.

### **16b. Animal welfare and biodiversity**

We respect the preservation of biodiversity and the welfare of animals. We do not carry out animal testing.

If our suppliers use animals in animal testing, they are obliged to comply with the highest ethical and animal welfare standards in terms of quality, husbandry, breeding, and veterinary care. The suffering of the animals must always be reduced to a minimum.

### **17. Waste handling**

We strive to reduce waste as much as possible. Waste that cannot be avoided is disposed of responsibly or recycled. We comply with the existing bans on the export of hazardous waste.

### **18. Handling of hazardous substances and chemicals**

We are committed to the responsible use of chemicals and hazardous substances. In addition to proper storage and disposal, this also includes continuous monitoring of the extent to which environmentally hazardous substances can be replaced by more environmentally friendly alternatives. It goes without saying that we comply with European regulations, in particular EU Directive 2011/65/EU (RoHS Directive), Regulation EC No. 1907/2006 (the so-called REACH Regulation) and Regulation (EU) 2019/1021 (POP Regulation). We also require compliance with European regulations from our suppliers and business partners.

### **19. Handling of conflict minerals**

Trade with conflict minerals such as tin, tungsten, tantalum and gold can promote the financing of armed groups, forced labor and human rights abuses, and it can support corruption. Careful verification of the origin of minerals is essential for us.

### **20. Export control and economic sanctions**

International organizations and governments may impose import and export bans, economic sanctions or embargoes, and require export controls and licensing reservations. The measures may relate to specific business transactions, countries or individuals. We ensure compliance with the regulations and do not engage in any such transactions. We also expect our suppliers and business partners to comply with the measures imposed.

### **21. Reporting and sanctioning of violations**

We strive for continuous improvement. All Kroschke employees, our business partners and suppliers have the possibility to report violations of legal regulations and this Code of Conduct either anonymously or personalized via the internal whistleblowing system ([Hintbox](#)).

## **22. Responsibility in 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 obligated by the LkSG must take various actions according to § 3 I No. 1-9 LkSG. We are not directly covered by the scope of the LkSG. We are therefore not legally obligated to take certain measures. 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 predefined criteria.

## **23. Code of Conduct as part of the contract**

We communicate the principles set out in this Code of Conduct not only as a guideline for our own actions. Rather, it is an elementary component of our contractual relationships with our business partners and suppliers.

We therefore expect them to base their actions on at least the same standards. Suppliers and business partners are required to establish these or equivalent standards in their supply chain. We reserve the right to verify compliance with the criteria at our suppliers and business partners by means of self-disclosure or on site.

We regard violations of legal regulations and the standards of this Code of Conduct as a material breach of contract, which compels us to take consistent action, such as initiating the appropriate legal steps and terminating business relationships for good cause (Section 314 of the German Civil Code). Insofar as we terminate business relationships, this shall be done considering all circumstances of the individual case and weighing the mutual interests of the contracting parties.