



# Code of Conduct for Business Partners

Version 1.0

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## 1. Purpose and scope of this Code of Conduct

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The Kardex Group actively addresses both present and forthcoming regulatory requirements concerning environmental, social, and governance topics. The Board of Directors, in conjunction with the Group Management, champions a responsible corporate culture and ethical, fair, and resilient business practices to ensure sustainable and profitable business growth.

Kardex' global supply network plays an important role in enhancing the value and quality of the products and systems. Pursuant to this Code of Conduct, Kardex expects its business partners to adhere to legal requirements, ethical business practices, and standard requirements relating to labor, health, safety, environmental protection, and management systems. This also includes ensuring that their operations within Kardex' sphere of influence do not adversely affect fundamental human rights, as outlined in the **United Nations's Bill of Rights** and the **International Labor Organization's (ILO) core conventions**.

The principles and standards outlined in this Code of Conduct are integral to the contractual obligations and collaborations with Kardex's business partners. Kardex expects its business partners to adhere to and promote these requirements and principles.

This Code of Conduct applies in its entirety to suppliers and any third parties engaged by our business partners in fulfilling contracts with Kardex. Accordingly, our business partners are required to incorporate the corresponding requirements of this Code of Conduct into their own contracts. We expect our business partners to take their best efforts to ensure that their suppliers and other third parties comply with these standards.

## 2. Environmental principles

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Kardex requires its business partners to share the commitment to mitigate climate change, protect the environment and biodiversity, and preserve resources.

### 2.1 Emissions

Kardex expects its business partners to maintain transparency regarding greenhouse gas emissions from both the company's own operations and upstream activities. Business partners should actively work towards reducing both direct and indirect carbon emissions. This includes implementing continuous improvement initiatives to minimize environmental impact and increasing the use of renewable and alternative energy sources.

Business partners must also ensure not to cause harmful soil contamination, water pollution, air pollution, harmful noise emissions, or excessive water consumption, that is capable of substantially degrading biodiversity and the natural basis for the preservation and production of food, depriving an individual of access to safe water, impeding or destroying an individual's access to sanitary facilities, or harming an individual's health.

### 2.2 Water consumption and quality

Business partners also undertake to use water with due care. In regions where water is scarce, they should minimize water withdrawal and ensure access to potable water and sanitation. Wastewater quality standards must be defined and monitored in compliance with applicable laws and regulations.

### 2.3 Materials and waste disposal

Kardex expects its business partners to actively minimize the environmental impact of their operations and to use resources efficiently. Partners should prioritize reusing materials whenever feasible. In waste management, our partners should adhere to the following hierarchy: first, avoid generating waste; second, recycle materials; and finally, dispose of waste only as a last option.

## 2.4 Substances of concern

Kardex's business partners must adhere to legal substance prohibitions, restrictions, and declaration prerequisites, as well as relevant standards. This involves obeying the prohibition on producing products that include mercury, refraining from employing mercury and mercury compounds in any part of the manufacturing process, and processing mercury waste in accordance with the **Minamata Convention**. Business partners must also cease production and usage of certain chemicals identified in the **Stockholm Convention** on Persistent Organic Pollutants (POPs), and abide by the exportation ban on hazardous waste outlined in the **Basel Convention**.

Business Partners shall in general not handle, collect, store or dispose of waste in a manner that is not environmentally sound.

## 3. Social principles

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### 3.1 Human rights

The business partner commits to respecting human rights in all of its business operations, including in geographical areas where human rights are not yet sufficiently protected. The business partner undertakes to fulfill its responsibility toward respecting human rights throughout its entire supply chain. The **United Nations Guiding Principles on Business and Human Rights** provide the foundation for this commitment. This includes protecting local communities, indigenous peoples, and human rights defenders.

Kardex' business partners must apply a strict policy of zero tolerance against any unlawful appropriation of land, forests, and waters, the use of which sustains an individual's livelihood.

Business partners must conduct regular human rights due diligence to identify, prevent, mitigate, and account for how they address the impacts of their commercial activities on human rights.

### 3.2 No child labor

Kardex expects its business partners to comply with applicable national laws and regulations regarding the minimum age for admission to employment and the **ILO Conventions No. 138** on Minimum Age for Employment and **No. 182** on Worst Forms of Child Labor.

### 3.3 No forced labor or compulsory labor, no modern slavery

Business partners of Kardex comply with the principle that employment is to be freely chosen and apply a strict policy of zero tolerance against any form of forced or punitive labor, modern slavery, debt bondage or human trafficking, neither within their organization or its business partners. In particular, business partners undertake to comply with **ILO Conventions No. 29** and **No. 105** on Forced Labor (including protocol of 2014).

Business partners must refrain from hiring or using private or public security personnel if there is a risk, due to a lack of instruction or control, of breaching the prohibition of torture and cruel, inhuman, or degrading treatment, jeopardizing life or limb, or infringing on the freedom of association.

### 3.4 Equal opportunities and non-discrimination

The business partner commits to observing the principles of equal opportunities in the selection and promotion of its employees. Any discrimination based on age, physical or mental limitations, ethnic origin, external appearance, skin color, gender, pregnancy, sexual orientation, nationality, religion, ideology, marital status, or other characteristics of the employees must be disregarded.

### 3.5 Freedom of association and right to collective bargaining

In compliance with applicable national laws and regulations, business partners shall acknowledge the global right of all workers to form and join trade unions of their own choice and shall undertake to ensure that union independence and pluralism are maintained. Business partners further commit to protecting union members and leaders and to refraining from all forms of anti-union.

The right to collective bargaining for the settlement of disputes pertaining to working conditions and the right to strike shall be granted in compliance with applicable laws and regulations and in accordance with **ILO Convention No. 98** on Right to Organize and Collective Bargaining.

### 3.6 Safe and fair working conditions

Business partners of Kardex shall ensure safe and fair working conditions in compliance with applicable laws and regulations and in accordance with **ILO Conventions No. 100** on Equal Remuneration, **No. 111** on Discrimination in Employment and Occupation and **No. 155** on Occupational Safety and Health.

In particular, Kardex expects its business partners to adhere to the following:

#### 3.6.1 Contractual agreements

Provide written employment contracts to employees in an inclusive form and language.

#### 3.6.2 Working hours

Ensure compliance with national laws and regulations and/or industry standards and collective agreements regarding working hours, break times and holidays. Apply the guarantee of working and break times also to employees who due to their work do not have a permanent workplace (for example, truck drivers and assemblers).

#### 3.6.3 Protecting the health and safety of employees

Comply with applicable health and work-related laws and regulations, ensuring safe and healthy working conditions for the employees. Establishing and applying appropriate occupational health and safety management systems to prevent accidents and work-related illnesses: identifying, assessing, and mitigating actual and potential accident and health risks, documenting and investigating incidents, training and briefing employees inclusively, providing appropriate work tools and protective equipment, and implementing effective emergency preparedness and response measures.

#### 3.6.4 Income and social benefits

Pay fair wages and provide social benefits equal to or higher than the rates prescribed by national or regional authorities, legal standards, or other relevant labor agreements. Observe applicable laws and regulations on minimum wage, working hours, breaks, and vacation entitlements.

### 3.7 Conflict minerals

Kardex is determined to comply with regulatory and customer requirements regarding the responsible sourcing of minerals.

The business partners shall therefore apply due diligence to promote responsible raw material supply chains to protect human rights in conflict regions. Business partners must only source conflict-free minerals, **in particular tin, tantalum, tungsten, gold, their ores and metals alloyed with such minerals**. If a product contains these minerals, the business partner must be able to ensure transparency on request about the origin of the material

in the supply chain up to the individual smelters. Smelters without an adequate and audited due diligence process shall be disqualified.

## 4. Governance standards

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Kardex applies strict adherence to legality in all its activities, measures, contracts, and other business practices, and expects the same from its business partners. This includes paying taxes and customs duties, observing fair competition and antitrust laws, prohibiting corruption and money laundering, obtaining all necessary official authorizations, and complying with export control laws and regulations.

In particular, Kardex expects its business partners to adhere to the following:

### 4.1 Prohibition of bribery and corruption

Reject any form of bribery and corruption, theft, embezzlement, fraud, or extortion. Zero tolerance for illegal payments or the granting or acceptance of incentives, favors or other benefits to an individual, company, or public official with the purpose or effect of influencing decision-making processes.

In particular, to comply with all applicable anti-corruption laws, especially but not limited to the **U.S. Foreign Corrupt Practices Act** and the **U.K. Bribery Act**.

### 4.2 Invitations and gifts

Never attempt to influence business contacts, customers, or public officials through invitations or gifts. Not demanding inappropriate benefits from Kardex employees. Invitations and gifts to Kardex employees or related individuals are only permissible if occasion and extent are appropriate.

### 4.3 Conflicts of interest

Avoid all situations which could lead to a conflict between business interests and private interests of employees, including relatives or otherwise associated individuals or organizations.

### 4.4 Antitrust and competition law

Act fairly in competition, no involvement in agreements in violation of antitrust law, no abuse of a dominant market position, and no involvement in other anticompetitive business practices. In particular, no price-fixing among competitors (verbal, written or in any other form), market allocation and any other practices which may inhibit free competition.

### 4.5 Data protection/privacy and information security

Comply with all applicable privacy/data protection laws. Comprehensive protection of personal data, and no processing of personal data without legal authorization; appropriate management of the information systems containing Kardex' confidential information or data and their adequate technical protection against unauthorized access.

### 4.6 No money laundering and terrorist financing

Comply with applicable legal requirements to prevent money laundering and terrorist financing. Neither direct nor indirect involvement in such activities.

## 4.7 Foreign trade law

Comply with applicable international and national laws and regulations of foreign trade law, in particular export control and embargo regulations, and no engaging in legally inadmissible business activities with sanctioned individuals, companies, or organizations.

## 5. Monitoring and obligation to provide evidence

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Business partners will document compliance with the principles and standards of this Code of Conduct by using suitable business documents. Business partners will have to make these documents available upon request of Kardex within an appropriate scope and after prior consultation.

If a business partner becomes aware of violations, these must be reported to Kardex without undue delay, stating the identified violations and risks, as well as the remediation measures taken.

## 6. Consequences of violations

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A direct violation against this Code of Conduct is considered as a material impairment to the business relationship. Kardex reserves the right to take appropriate measures in such cases. Kardex evaluates each violation individually and reserves the right to implement further appropriate measures in such cases at any time. These can lead to a temporary suspension or even termination of the business relationship.

However, the primary objective is to remedy any grievances in order to be able to continue the business relationship.

Kardex encourages employees of business partners and of companies of their supply chain to report (impending) violations of applicable laws and regulations and/or of the principles and standards of this Code of Conduct. For this purpose, the Kardex whistleblowing platform can be used, that also enables completely anonymous reports:

<https://kardex.integrityline.com/setup>