

Human Rights

August 2025, version 1.0

Contents

General Policy information	3
Purpose	3
Scope and Target audience	3
Policy ownership and revision	4
Implementation, effectiveness and relation to other policies	4
Specific information on the Policy	5
1. Principles and standards	5
2. Our commitment to human rights: key areas of focus	5
3. Due diligence and operative measures	7
4. Grievances and reporting procedure	7

Human Rights

August 2025, version 1.0

General Policy information

Purpose

This Human Rights Policy establishes the principles and expectations that guide our own business conduct. It is designed to ensure that working conditions - within our operations and throughout our supply chain - are safe, fair, and respectful of human dignity, and that modern slavery - in any form, including forced labour, human trafficking, and child labour - is strictly prohibited.

We expect our suppliers and contractors to uphold these standards in all their operations and business practices. Furthermore, we require that they actively communicate the content and intent of this Policy to their affiliated entities, employees, agents, suppliers and subcontractors. This is essential to ensure awareness, understanding, and alignment with the principles we stand for. Where non-compliance is found, we expect prompt and effective remediation to be undertaken.

Scope and Target audience

Policy name	Human Rights
Business Units/ Countries	Global
Target audience	<p>This Policy applies to all group companies in which KME SE directly or indirectly holds the majority of all shares.</p> <p>It is applicable to all employees, directors, officers and contractors who are under the direct supervision of KME, working at any KME office or industrial asset that is directly or indirectly controlled or operated by KME worldwide.</p>

Policy ownership and revision

Author	Responsible Sourcing Team
Approved by	Board Resolution

Version no.	Reason for change	Effective Date
1.0	Creation	25 August 2025

This Policy will be reviewed taking into consideration its scope, efficiency and effectiveness as well as changes to relevant laws.

Implementation, effectiveness and relation to other policies

This Policy should be read in conjunction with related policies available at www.kme.com:

- Code of Conduct;
- Code of Conduct for Business Partner;
- Conflict Minerals Policy Statement;
- Responsible Sourcing & Supply Chain Due Diligence;
- Whistleblowing and Reports Management - Rules of Procedure.

This Policy supersedes regional and/or local policies on the subject matter, unless the latter contain more detailed provisions or set up more restrictive rules due to local legal requirements.

Specific information on the Policy

1. Principles and standards

Our approach to human rights is grounded in the core values and ethical standards that define the way we conduct business, as outlined in our Code of Conduct and Code of Conduct for Business Partner. Respect for human rights is not only a legal obligation but also a fundamental aspect of our company culture and decision-making processes.

We firmly believe that all individuals—regardless of who they are or where they live—are entitled to basic rights and freedoms; our commitment extends especially to vulnerable and marginalized groups, including but not limited to children, migrant workers and refugees, people with disabilities.

To guide our practices, we align ourselves with globally recognized human rights frameworks and standards, including:

- the Guidelines for Multinational Enterprises on Responsible Business Conduct of the Organization for Economic Co-operation and Development (OECD);
- the United Nations Guiding Principles on Business and Human Rights (UNGPs);
- the Core Conventions of the International Labour Organization (ILO);
- the Ten Principles of the United Nations Global Compact.

These standards inform our internal policies and shape the expectations we set for all employees, suppliers, and contractors across our global operations.

2. Our commitment to human rights: key areas of focus

The following areas have been prioritized based on the severity and likelihood of potential harm, as well as the expectations set forth in global frameworks and standards. Each area outlines the standards we uphold, and the actions required to prevent, mitigate, and address human rights risks across our value chain:

- 1) **Prohibition of forced and bonded labour:** The use of forced or bonded (including debt bondage) labour, as well as involuntary or exploitative prison labour, slavery, or human trafficking, is strictly prohibited. This includes any involvement in the transportation, harbouring, recruitment, transfer, or receipt of individuals through threats, force, coercion, abduction, or deception for the purpose of labour or services. All employment must be voluntary. Workers must have the freedom to leave their jobs or end their employment without penalty, provided they give reasonable notice in accordance with their employment contract.
- 2) **Prohibition of child labour:** Child labour is strictly forbidden at any stage of production. A 'child' is defined as anyone under the age of 15, below the legal age for completing compulsory education, or under the minimum employment age in the relevant country—whichever is highest.
We are also firmly opposed to all worst forms of child labour, which include:
 - i. all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;
 - ii. the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;
 - iii. the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;
 - iv. work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children

Suppliers and their representatives must implement effective systems to verify the age of all workers. While legitimate, law-abiding workplace learning programs are supported, individuals under 18 must not perform work that could compromise their health or safety, including night shifts and overtime. Student workers must be provided with appropriate training and support.

- 3) **Protection against discrimination and harassment:** Discrimination or harassment based on ethnic origin, social origin, age, gender, sexual orientation, gender identity or expression, ethnicity, national origin, religion, political affiliation, union membership, health status, or family responsibilities. Employment decisions—such as hiring, promotions, compensation, and access to training—must be based solely on merit and qualifications. Reasonable accommodations must be made for religious practices. Additionally, workers or candidates must not be subjected to discriminatory medical testing. Workers must be able to communicate openly with management about workplace conditions and practices without fear of discrimination, retaliation, intimidation, or harassment.
- 4) **Ethical recruitment and fair employment terms:** We maintain a strict policy prohibiting the use of recruitment agencies or individuals who do not comply with the local labour laws of the country where recruitment takes place. We are committed to ethical recruitment practices and expect all partners and intermediaries to uphold the same standards. Furthermore, we explicitly prohibit the charging of recruitment fees to workers or potential workers.
As part of the recruitment process, workers must be given a written employment contract in their native language or in a language, they can easily understand. This contract must clearly outline the terms and conditions of employment.
- 5) **Fair working conditions and compensation:** Worker compensation shall comply with local wage laws, including but not limited to minimum and overtime wages, overtime hours and legally mandated benefits. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.
- 6) **No withholding of personal documents:** Confiscation, destruction, or retention of workers' personal documents - such as passports, IDs, and work permits - is strictly prohibited. These documents may only be held where legally required, and even then, workers must have free and immediate access to them.
- 7) **Health and safety in the workplace:** A safe and healthy work environment is ensured to prevent accidents and injuries arising out of, linked with, or occurring in the course of work or as a result of the employer's operations.
- 8) **Reasonable working hours:** Workers shall not be required to work more than the regular and overtime hours allowed by the law of the country of employment. All overtime work by workers is on a voluntary basis.
- 9) **Freedom of association and collective bargaining:** We respect the rights of workers to freely associate, form or join trade unions, engage in collective bargaining, and participate in peaceful assembly, in accordance with local laws. We equally respect the right of workers to refrain from such activities.
- 10) **No restrictions on freedom of movement:** Workers must not be subjected to any unreasonable restrictions on their freedom of movement within the workplace. This includes unrestricted access to and from company-provided facilities. All movement policies must always respect the dignity and autonomy of workers.
- 11) **Respect for local communities, land and water rights:** We are committed to respecting the rights of local communities in all areas where we operate. We acknowledge that unsustainable land and water use can negatively affect both the environment and human rights, and that disputes over these resources are increasingly a source of global conflict. As part of our commitment, we continue to strengthen our understanding of land and water rights as fundamental human rights in the context of our business operations. While our core business does not involve the direct purchase of land or the provision of water, we seek meaningful engagement with local communities and work to prevent or mitigate any negative impacts our operations may have on land, water, and the well-being of those who depend on them.

3. Due diligence and operative measures

In support of our human rights commitments, we have established a robust due diligence framework that is integrated throughout all levels of our operations and supply chains. This includes identifying, preventing, mitigating, and accounting for potential and actual adverse human rights impacts linked to our activities or business relationships. To uphold these commitments and to ensure compliance with the requirements of the German Supply Chain Due Diligence Act, we have formed a dedicated “Responsible Sourcing Team,” which fulfils the role of Human Rights Officer for the KME business area and its associated supply chain. This team is responsible for monitoring human rights-related risk management, including risks linked to modern slavery.

We conduct regular risk assessments, engage with stakeholders, and carry out audits or impact evaluations, particularly in high-risk areas or sectors. Where human rights risks are identified, we take prompt and proportionate measures to address them, including remediation where harm has occurred.

Training, awareness programs, and grievance mechanisms – as set out below - are in place to ensure continuous improvement and accountability. Through these operative measures, we seek not only to meet our legal obligations but also to actively contribute to the protection and promotion of human rights worldwide.

4. Grievances and reporting procedure

We encourage all our Suppliers, including their employees, business associates or others to raise concerns about any potential or actual breach of this Policy, legal requirements as well as inappropriate behaviour exhibited by KME staff, and to report such concern to us.

This can be done by contacting our KME Group Ombudsman, Mr. Carsten Thiel von Herff; reports can be submitted via e-mail (ombudsman@thielvonherff.de), telephone (+49 521 557 3330 or +49 151 5823 0321) or through the designated website www.report-tvh.de.

The details of KME whistle-blower system are available on corporate website at www.kme.com, in the Code of Conduct, and are communicated internally.

KME places great importance on protecting the identity of whistle-blowers, ensuring their confidentiality, with access limited to the designated Ombudsman and relevant person.

Whistle-blowers are not subject to any retaliation for providing information.

In addition, ethical compliance concerns can be raised in confidence to the Compliance Office by email to: compliance@kme.com.

KME SE

Klosterstraße 29
D-49074 Osnabrück
Germany
Tel. +49 541 321-0
E-mail info-germany@kme.com

www.kme.com

© KME SE, August 2025