

Report on the LkSG (Supply Chain Due Diligence Act)

Reporting period from January 1, 2023, to December 31, 2023

Name of organization: KraussMaffei Group GmbH

Address: Krauss-Maffei-Str. 1, 85599 Vaterstetten OT Parsdorf

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A. Strategy & Implementation

A1. Risk management oversight & responsibility of senior management

What responsibilities for monitoring risk management were defined during the reporting period?

Dr. Alexandra Coffey, Global Sustainability Manager and Human Rights Officer
Dr. Sebastian Gerold, Chief Audit Executive, Corporate Audit
Dr. Markus Hunger, Group Compliance Officer
Lisa Wimmer, Manager Internal Control, Corporate Audit

A. Strategy & Implementation

A1. Risk management oversight & responsibility of senior management

Has the management established a reporting process that ensures that it is regularly informed – at least once a year – about the work of the person responsible for monitoring risk management?

It is confirmed that the management has established a reporting process which, within the meaning of Section 4 (3) LkSG, ensures that it is regularly informed – at least once a year – about the work of the person responsible for monitoring risk management.

- Confirmed

Describe the process that ensures reporting to management at least once a year or on a regular basis with regard to risk management.

At least once a year, management receives a written summary of the results of the regular risk analysis and the additional measures taken. This is discussed at a meeting scheduled and chaired by the human rights officer. The timing of the meeting depends on the results of the risk analysis and the resulting urgency. Ad hoc reporting is also carried out as necessary.

A. Strategy & Implementation

A2. Policy Statement on Human Rights Strategy

Is there a policy statement that has been created or updated based on the risk analysis conducted during the reporting period?

The policy statement has been uploaded

<https://www.kraussmaffei.com/de/ueber-kraussmaffei/menschenrechte>

A. Strategy & Implementation

A2. Policy Statement on Human Rights Strategy

Was the policy statement communicated for the reporting period?

It is confirmed that the policy statement has been communicated to employees, the works council (if applicable), the public, and direct suppliers for whom a risk was identified in the risk analysis.

- Confirmed

Please describe how the policy statement was communicated to the relevant target groups.

It was published on the company's website.

A. Strategy & Implementation

A2. Policy Statement on Human Rights Strategy

What elements does the policy statement contain?

- Establishment of a risk management system
- Annual risk analysis
- Anchoring of preventive measures in the company's own business area, at direct suppliers and, if applicable, indirect suppliers, and review of their effectiveness
- Remedial measures in our own business area, at direct suppliers and, if applicable, indirect suppliers, and review of their effectiveness
- Provision of a complaints procedure in your own business area, at suppliers, and review of its effectiveness
- Documentation and reporting obligations
- Description of the identified priority risks
- Description of human rights and environmental expectations of own employees and suppliers

A. Strategy & Implementation

A2. Policy Statement on Human Rights Strategy

Description of possible updates during the reporting period and the reasons for them.

The first version of the human rights policy statement was based on an abstract risk analysis from 2022. In 2023, we professionalized our risk management by, for example, introducing software to check all suppliers and taking random samples in our own business area. The findings from the specific analysis conducted in 2023 form the basis for the improvements made in the updated version.

A. Strategy & Anchoring

A3. Anchoring the human rights strategy within our own management organization

In which key departments/business processes was the human rights strategy anchored within the reporting period?

- Personnel/HR
- Occupational Safety & Health Management
- Communication/Corporate Affairs
- Purchasing/Procurement
- Supplier Management
- CSR/Sustainability
- Legal/Compliance
- Audit

Describe how responsibility for implementing the strategy is distributed within the various departments/business processes.

For your own business area:

A representative from the Global HR department (KraussMaffei Group) reviewed processes and guidelines in all global subsidiaries as well as the involvement of the global Health & Safety department.

Employees from the Corporate Audit department conducted random on-site checks specifically for LKSG content.

For direct suppliers:

The Global Procurement department used software to review all KraussMaffei suppliers, including all subsidiaries, and followed up specifically on any relevant risks.

Complaints procedure:

Support for the complaints procedure and training was provided by the Compliance department.

Overall coordination and monitoring:

The Human Rights Officer, who is part of the Sustainability department, is responsible for general monitoring, reporting, and overall coordination.

Describe how the strategy is integrated into operational processes and procedures.

For our own business area:

A manager from the Global department (KraussMaffei Group) reviews processes and guidelines in all global subsidiaries and the involvement of the global Health & Safety department.

Managers from the Corporate Audit department conduct random on-site checks specifically for LKSG content.

For direct suppliers:

The Global Procurement department uses software to review all KraussMaffei suppliers, including all subsidiaries, and follows up on any relevant risks.

For the complaints procedure and training:

A general complaints procedure, which is available internally and externally, has been in place for several years. There are plans to expand this again in 2024. In 2023, we underwent a comprehensive review of our training system and expanded its content. We plan to roll out the revised training system in 2024. In 2023, we also selected a suitable service provider that can conduct LKSG-specific training in multiple languages.

Overall coordination and monitoring:

For general monitoring and overall coordination, a human rights officer belonging to the Sustainability department underwent further training in the summer of 2023 via a TÜV certification course.

Describe the resources and expertise that will be made available for implementation.

HR: Senior manager in Global HR supported by a working student and Chinese-speaking HR manager who is not a member of the national company.

Corporate Audit: Department head and a manager who share the monitoring of the process (on the system side) and the performance of random checks on site (auditing of own subsidiaries).

Procurement: Head of Procurement Excellence and Manager of Procurement Processes and Systems, as well as external consulting for the initial implementation of content and software.

Compliance: Group Compliance Officer. The Group Compliance Officer is supported by around 12 local compliance officers across the group, who are based in the various business divisions and international subsidiaries of KraussMaffei as heads of local compliance functions.

Overall coordination: Global Sustainability Manager, with additional certification as Human Rights Officer (TÜV) and operational experience based on the UK Modern Slavery Act

Financial resources: Risk analysis software since 2023, as well as training software and specialist modules in Q 2024.

B. Risk analysis and Prevention measures

B1. Implementation, approach, and results of the risk analysis

Was a regular (annual) risk analysis conducted during the reporting period to identify, weigh, and prioritize human rights and environmental risks?

- Yes, for our own business area
- Yes, for direct suppliers

Describe the period during which the annual risk analysis was conducted.

Based on data from January 1, 2023, to September 14, 2023

Describe the risk analysis procedure.

The risk analysis was carried out using the Prewave system (www.prewave.com) as follows:

Prewave classifies the suppliers reported by the company into different risk categories. This is done on the basis of a classification of suppliers (i) into countries with and without risk ("country risk") (based on the location of the contractual partner's registered office) and (ii) into risk or non-risk commodity groups/industry categories ("commodity risk") depending on the goods or services supplied, as well as (iii) on the basis of web screening for selected suppliers. Optionally, the assessment may also include (iv) self-disclosures to be completed by suppliers and (v) information provided by the company on individual high-risk suppliers.

Re (i): Country risks are determined on the basis of 11 different publicly available indices and classified as: no risk, low risk, mid risk, high risk, critical risk. These indices deal thematically with the human rights and environmental risks mentioned in the LkSG, as far as can be seen from the indices.

Re (ii): Prewave uses its own data on over 100,000 suppliers to determine product groups/industry risks. These suppliers are classified into industries (ISIC standard) and product groups. Prewave has a history of incidents in the individual industries and product groups for over 100,000 suppliers. Prewave also uses this frequency of incidents to assess the risk as no risk, low risk, mid risk, high risk, and critical risk.

Regarding (iii): In addition, AI-supported web screening is carried out for a certain range of suppliers (ideally for those suppliers that pose the highest risks). Social media, news, and other information available online is checked on the basis of a supplier keyword and risk keyword search to determine whether and which

reports there are on the individual suppliers. Reports are communicated to the user as so-called "risk alerts."

Re (iv): Optionally, risk identification can also be supplemented by the results of supplier self-assessments, which must be completed by high-risk suppliers. Prewave has developed its own questionnaires on the topics of "Working conditions and human rights," "Health and safety," and "Environment."

Re (v): Optionally, Prewave can name individual risk suppliers, e.g., on the basis of any negative human rights or environmental incidents known within the company within the meaning of the LkSG, which are then also assigned a certain risk.

The results from (i) to (iii) and, optionally, (iv) and (v) are then combined to form the supplier's 360-degree risk score.

In addition to the analysis by Prewave and the media monitoring it includes, the Global HR department reviewed its own business area by surveying all subsidiaries on processes, minimum wage, equal treatment, discrimination, human rights, and health and safety in the workplace, and by conducting random checks at four foreign subsidiaries in Benelux, the UK, Italy, and Thailand through the Corporate Audit department. The Chinese subsidiary KMCN was examined particularly thoroughly by a Chinese-speaking colleague in HR who does not belong to this company herself, due to the country risk and the fact that it is a production site.

B. Risk analysis and preventive measures

B1. Implementation, procedure, and results of the risk

Were any event-driven risk analyses also carried out during the reporting period?

- No

Please explain your answer.

Compared to the regular risk analysis, no exceptional events have been added, as both the company structure and the business areas have remained the same. No findings or complaints have been brought to KraussMaffei's attention, either internally or externally.

B. Risk analysis and preventive measures

B1. Implementation, procedure, and results of the risk analysis

What risks were identified in the risk analysis(es) in your own business area?

- Disregard for occupational safety and work-related health hazards
- Disregard for freedom of association – freedom of association & right to collective bargaining
- Prohibition of unequal treatment in employment

B. Risk analysis and preventive measures

B1. Implementation, procedure, and results of the risk analysis

What risks were identified in the risk analysis(es) for direct suppliers?

- Disregard for occupational safety and work-related health hazards
- Destruction of natural resources through environmental pollution
- Prohibition of unequal treatment in employment

B. Risk analysis and preventive measures

B1. Implementation, procedure, and results of the risk

Were the risks identified during the reporting period weighted and, if applicable, prioritized, and if so, on the basis of which appropriateness criteria?

- Yes, based on the expected severity of the injury according to degree, number of people affected, and irreversibility
- Yes, based on our own sphere of influence
- Yes, based on the probability of occurrence
- Yes, based on the nature and scope of our own business activities
- Yes, based on the type of causal contribution

Describe in more detail how the weighting and, if applicable, prioritization was carried out and what considerations were made in the process.

To analyze our own business area, a survey was conducted among the HR departments of all companies belonging to KraussMaffei, and individual locations were randomly checked in a field audit. In addition, the Health & Safety statistics for the global production sites were evaluated. When it comes to preventive measures in our own business area, we prioritize occupational safety at production sites above all else, as this is where the highest risk of serious accidents with potentially irreversible consequences exists.

All subsidiaries are also subject to the same software-based risk analysis as suppliers (see also "Risk analysis procedure"). In general, we prioritize risks according to the criteria selected above, with the first two criteria (the expected severity of the violation, number of people affected, and irreversibility, as well as the basis of our influence) forming the more important basis for decision-making.

B. Risk analysis and preventive measures

B2. Preventive measures in your own business area

Which risks were prioritized in our own business area during the reporting period?

- Non-compliance with occupational safety and work-related health hazards
- None

If no risks were selected, please explain your answer.

As an industrial company, KraussMaffei maintains a hazardous substances register in which all hazardous substances must be recorded in accordance with the REACH Regulation. Substances containing POPs and mercury are not used in KraussMaffei's production processes or products. Hazardous waste is disposed of by specialist companies at the respective locations.

Failure to comply with occupational safety and work-related health hazards

What specific risk are you referring to?

The risk of occupational accidents exists primarily in the operational area: On the one hand, there are workplaces where there is a general risk due to the materials/tools that are handled and located in the environment. At the main plant in Parsdorf, additional potential hazards were identified due to the relocation and the resulting new, unfamiliar environment.

Where does the risk occur?

- China
- Germany
- Switzerland
- Slovakia
- United States (USA)

B. Risk analysis and preventive measures

B2. Preventive measures in your own business area

What preventive measures were implemented during the reporting period to prevent and minimize priority risks in your own business area?

- Conducting training in relevant business areas
- Implementation of risk-based control measures

Conducting training in relevant business areas

Describe the measures implemented and specify in particular their scope (e.g., number, coverage/scope of application).

Risk "Non-compliance with occupational safety and work-related health hazards":

All employees in operational areas receive annual training on occupational safety topics, with the training content geared toward the risks of the individual workplace, as will be the case in 2023. In addition, first responder training, training on the use of cranes, forklifts, aerial work platforms, and height rescue in the warehouse were conducted at the new Parsdorf plant.

Describe the extent to which the training courses are appropriate and effective in preventing and minimizing the priority risks.

Risk "Failure to comply with occupational safety and work-related health hazards":

Every accident is analyzed by the occupational safety team and assigned to one of the following categories: "Unfortunate accident," "Individual misconduct," "Cleanliness and order," "Missing or incorrectly used protective equipment," and "Deficiencies in the organization of the workplace." Only about 2% of accidents were attributable to organizational deficiencies.

Implementation of risk-based control measures

Describe the measures implemented and specify in particular their scope (e.g., number, coverage/area of application).

Risk "Failure to comply with occupational safety and work-related health hazards":

The measures focused primarily on operational areas of work in production. Risk assessments were recorded for all operational areas of work (191 in total), of which 164 were completed in 2023. The remainder

followed in the first quarter of 2024.

Global HR sent a questionnaire to all KraussMaffei Group subsidiaries, including non-production sites. The questions related to internal processes, minimum wage, discrimination, equal treatment, protection of human rights, and health and safety in the work place.

A total of 20 questionnaires were sent out in the reporting year, with 15 questionnaires returned. In addition, the foreign subsidiaries in Benelux, Great Britain, Italy, and Thailand were reviewed in an on-site audit.

Describe the extent to which the measures to prevent and minimize priority risks are appropriate and effective.

As a first step, sending out a questionnaire is appropriate, as it gives the national companies the opportunity to provide information on the various points and reflect the current status of the respective company. If answers are missing, Global HR personally contacts the local HR managers. In addition, the global policies and processes as well as the associated governance model are being revised. At our Chinese national subsidiary, Global HR is supported by a Chinese-speaking colleague who does not belong to the national subsidiary herself.

B. Risk analysis and preventive measures

B3. Prevention measures for direct suppliers

Which risks were prioritized for direct suppliers during the reporting period?

- Non-compliance with occupational safety and work-related health hazards
- Destruction of natural resources through environmental pollution
- Prohibition of unequal treatment in employment

Failure to comply with occupational health and safety regulations and work-related health hazards What specific risk is involved?

Accidents in the logistics and construction industries and in steel processing

Where does the risk occur?

- China
- Germany
- Mexico
- Switzerland
- Slovakia

Destruction of natural resources through environmental pollution

What specific risk are we talking about?

Improper disposal of hazardous waste

Where does the risk occur?

- China
- Kazakhstan

Prohibition of unequal treatment in employment

What specific risk is involved?

Discrimination against people with disabilities

Where does the risk arise?

- United States (USA)

B. Risk analysis and preventive measures

B3. Preventive measures for direct suppliers

What preventive measures were implemented during the reporting period to prevent and minimize priority risks at direct suppliers?

- Obtaining contractual assurances for compliance and implementation of expectations along the supply chain
- Other/additional measures: Questionnaires were sent to all high-risk suppliers who generated sales (>€0.00) with KraussMaffei in 2023, referring to the specifically identified risk category and requesting clarification. A total of 82 questionnaires were sent out.

Other categories:

Selected:

- Obtaining contractual assurance for compliance and implementation of expectations along the supply chain
- Other/additional measures

Describe the extent to which the measures to prevent and minimize priority risks are appropriate and effective.

The questionnaire is appropriate as the first stage of escalation because it allows the supplier to comment on the alleged risk/incident. If the supplier fails to respond or provide a satisfactory response, the responsible purchaser will contact them and further measures will be defined jointly.

B. Risk analysis and preventive measures

B5. Communication of risk analysis results

Were the results of the risk analysis(es) for the reporting period communicated internally to relevant decision-makers?

It is confirmed that the results of the risk analysis(es) for the reporting period have been communicated internally in accordance with Section 5 (3) LkSG to the relevant decision-makers, such as the board of directors, the management, or the purchasing department.

- Confirmed

B. Risk analysis and preventive measures

B6. Changes to risk disposition ()

What changes have occurred with regard to priority risks compared to the previous reporting period?

2023 is the first reporting period.

C. Determination of violations and remedial measures

C1. Identification of violations and remedial measures in own business area

Were any violations identified in your own business area during the reporting period?

- Yes, domestically and abroad

Please specify: In which areas were violations identified in your own business area?

- Failure to comply with occupational safety and work-related health hazards
- Violation of freedom of association - freedom of association & right to collective bargaining

Disregard for occupational safety and work-related health hazards

Enter the number

30

Disregard for freedom of association – freedom of association & right to collective bargaining

Enter the number

2

Describe the appropriate remedial measures you have taken.

Regarding occupational safety and work-related health hazards:

In 2023, 30 accidents were recorded, which can be divided into the following categories.

- Employee misconduct (23 accidents) - In these cases, employees were reminded of the correct behavior.
- Incorrect or incomplete wearing of protective equipment (1 accident) - In this case, the correct behavior was reiterated.
- Technical defect (1 accident) - The defective device was replaced.
- Cleanliness and order (1 accident) – Those responsible for the area were retrained and the structure of the workplace was optimized.
- Organization (3 accidents) – The structure or design of the respective workplace was optimized.

Accidents in the "unfortunate accident" category, which mainly include trips and falls without any apparent connection to misconduct, protective equipment, technical defects, cleanliness and order, or the organization of the workplace, were not included here.

. Also not included are accidents outside working hours in means of transport that are not under the control of KraussMaffei.

Violation of freedom of association and collective bargaining rights:

KraussMaffei has locations in countries where national legislation stipulates that there can only be one authorized trade union, which means that the conditions set out in Section 2 (2) No. 6 a) and c) of the LkSG are met. Remedial measures as required by the LkSG are therefore not possible, as this would require a regulatory change in national legislation. With around 450 FTEs spread across two locations in China, KraussMaffei does not have the size or influence to exert any influence in this regard.

In cases where violations could not be stopped, describe where they occurred.

Violation of freedom of association – freedom of association and the right to collective bargaining:

KraussMaffei has sites in countries where national legislation stipulates that there can only be one authorized trade union, which means that the conditions set out in Section 2 (2) No. 6 a) and c) of the LkSG are met. In this specific case, this applies to the two sites in China.

Describe what long-term remedial measures (e.g., follow-up concepts) have been taken and what considerations have been made with regard to the selection and design of measures to terminate or further minimize the situation.

On occupational safety and work-related health hazards:

To prevent accidents, risk assessments are carried out for each work area, from which preventive measures are derived, such as training or reorganization of the workplace. All violations are analyzed on a case-by-case basis and discussed with those responsible in order to plan and implement necessary improvements.

Violation of freedom of association – freedom of association & right to collective bargaining:

KraussMaffei has locations in countries where national legislation allows only one recognized trade union, which means that the conditions set out in Section 2 (2) No. 6 a) and c) of the LkSG are met.

Describe how the effectiveness of the remedial measures is reviewed.

Regarding occupational safety and work-related health hazards:

Effectiveness is assessed on the basis of accident figures and cause analysis. These are

recorded and evaluated using software and submitted to the respective supervisor for remedial

action. Regarding disregard for freedom of association and collective bargaining rights:

Not applicable, see previous explanations for clarification.

Did the corrective measures lead to the termination of the infringement?

- Partially

Please explain.

Regarding occupational safety and work-related health hazards: Yes.

Regarding disregard for freedom of association and collective bargaining rights: Not applicable, see previous comments for explanation.

Have you analyzed the extent to which the identified violation indicates a possible need to adjust/supplement existing preventive measures? Please describe the process, results, and impact of your analysis.

Regarding occupational safety and work-related health hazards:

All violations are analyzed on a case-by-case basis and discussed with those responsible, once a month worldwide and at shorter intervals internally at the sites, for example weekly at the main plant in Parsdorf. The most dangerous workplaces are in assembly. A focus analysis will be carried out there in 2024.

C. Identification of injuries and remedial measures

C2. Identification of injuries and corrective measures at direct suppliers

Were any violations identified at direct suppliers during the reporting period?

- Yes

Describe the basis on which the identified violations were weighted and prioritized and what considerations were made in this regard.

The following procedures are used to identify violations by direct suppliers:

- (1) Media monitoring,
- (2) Public complaint mechanism,
- (3) Collection of other findings (from supplier audits, supplier visits/inspections, whistleblowing, etc.)

The potential incidents collected from these sources are recorded and subjected to a multi-stage "incident review" (= case processing).

As part of the incident review, it is first checked whether these are actually confirmed incidents (confirmed violations). If so, appropriate remedial measures are determined, taking into account the legal criteria for appropriateness.

In which areas were violations identified among direct suppliers?

- Failure to comply with occupational safety and work-related health hazards
- Prohibition of unequal treatment in employment
- Destruction of natural resources through environmental pollution

Failure to comply with occupational safety and work-related health hazards

Please specify the number

13

Prohibition of unequal treatment in employment

Enter the number

1

Destruction of natural resources through environmental pollution

Enter the number

2

Describe the appropriate corrective measures you have taken.

One of the two suppliers (Kazakhstan) no longer works for us. The second supplier from China has been contacted by the buyer and clarifying discussions are currently underway.

Describe the considerations that were made with regard to the selection and design of measures within the framework of the corresponding follow-up concepts for termination and minimization.

The product from the supplier in Kazakhstan is not essential to operations and could also be sourced from another supplier with a better sustainability record if necessary.

Describe how the effectiveness of the corrective measures is being reviewed.

One supplier is no longer working for us. Discussions are currently underway with the second supplier regarding the results of the analysis and possible corrective measures.

Have the corrective measures led to the termination of the violation?

- Partially

Please explain.

See above.

Have you analyzed the extent to which the identified violation is an indication of a possible adjustment/addition to existing preventive measures? Describe the process, results, and impact.

See above.

C. Identification of violations and corrective measures

C2. Identification of violations and corrective measures at direct suppliers

If there were violations at direct suppliers during the reporting period that could not be remedied within a foreseeable period of time:

Describe the cases in which violations could not be stopped.

Particularly when it comes to occupational safety, we do not believe it is possible to eliminate risk entirely. Only the probability of occurrence can be minimized by taking appropriate measures. In the cases observed, the cause of the accident was not apparent.

C. Identification of violations and corrective measures

C2. Identification of violations and corrective measures at direct suppliers

If there were violations at direct suppliers during the reporting period that could not be remedied within a foreseeable period of time:

Describe what long-term remedial measures were taken, in particular what considerations were made with regard to the selection and design of measures within the framework of the corresponding follow-up concepts for termination and minimization.

At present, no measures have been taken due to the lack of information on the individual accident sequences and the processes at the suppliers. Most accidents occurred at suppliers in the construction industry.

C. Identification of violations and corrective measures

C2. Identification of violations and corrective measures at direct suppliers

If there were violations at direct suppliers during the reporting period that could not be remedied within a foreseeable period of time:

Describe how the effectiveness of the corrective measures is being reviewed.

Annual review of suppliers.

C. Identification of violations and corrective measures

C2. Identification of violations and corrective measures at direct suppliers

If there were violations at direct suppliers during the reporting period that could not be remedied within a foreseeable period of time:

Describe the specific timetable for the concept.

Not applicable.

C. Identification of violations and corrective measures

C2. Identification of violations and corrective measures at direct suppliers

If there were violations at direct suppliers during the reporting period that could not be remedied within a foreseeable period of time:

Name the measures that were considered during the creation and implementation of the concept.

- Joint development and implementation of a plan with the company causing the infringement
- Other: Termination of the business relationship

C. Identification of violations and corrective measures

C2. Identification of violations and corrective measures at direct suppliers

If there were violations at direct suppliers during the reporting period that could not be remedied within a foreseeable period of time:

In how many cases was the business relationship with one or more direct suppliers terminated due to the violations?

1

C. Determination of violations and remedial measures

C3. Identification of violations and corrective measures at indirect suppliers

Were any violations identified among indirect suppliers during the reporting period?

- No

D. Complaint procedure

D1. Establishment of or participation in an appeal procedure

What form did the complaint procedure take during the reporting period?

- Company's own complaint procedure

Describe the company's own procedure and/or the procedure in which your company participates.

During the reporting period, the external KraussMaffei Compliance Officer (currently attorney Dr. Andreas Minkoff) acted as the central complaints office for all compliance-related reports (including those relating to the LkSG). Employees and third parties can contact this neutral office in confidence and, if desired, anonymously.

D. Complaint procedure

D1. Establishment of or participation in an appeal procedure

Which potential stakeholders have access to the complaint procedure?

- Own employees
- Communities near the company's own locations
- Employees of suppliers
- External stakeholders such as NGOs, trade unions, etc.

How is access to the grievance procedure ensured for the various groups of potential stakeholders?

- Publicly accessible rules of procedure in written form
- Information on availability
- Information on jurisdiction
- Information on the process
- All information is clear and understandable
- All information is publicly accessible

Publicly accessible rules of procedure in text form Optional:

Describe.

The external compliance officer receives the report and confirms receipt of the report to the reporting person within seven days at the latest.

The external compliance officer checks the validity of the report received, in particular whether there are sufficient indications of a violation of laws or the KraussMaffei Compliance and Ethics Code. He or she maintains contact with the reporting person as far as possible and requests further information if necessary. At the request of the person making the report, a personal meeting is also possible. If there is sufficient evidence of such a violation, he or she will forward the facts in an appropriate form (agreed with the person making the report) to the Group Compliance Officer at KraussMaffei for further investigation.

If there is sufficient evidence of such a violation, KraussMaffei will conduct a detailed investigation of the matter. The entire investigation will be conducted in compliance with the relevant laws and data protection regulations, taking into account the interests of all parties involved. It will be conducted neutrally and objectively, observing the presumption of innocence. If the report concerns specific individuals, they will be

informed of the report (in anonymized form, if necessary) and given the opportunity to comment. As part of the investigation, particular attention will be paid to determining which measures are appropriate, necessary, and proportionate in each individual case in order to punish any violations that have been identified and to counteract the risk of such violations occurring in the future. The investigation of the facts is carried out centrally at KraussMaffei. However, the primary responsibility for responding to identified violations remains with the respective KraussMaffei Group companies. It may therefore be necessary to pass on information (in anonymized form, if necessary) in connection with the report to the responsible persons at these Group companies.

Provided that internal investigations or inquiries are not affected and the rights of the persons who are the subject of a report or who are named in the report are not impaired, feedback will be provided to the reporting person within the statutory period, usually within 3 months.

Contact information Optional:

Describe.

The external compliance officer can be contacted worldwide by post, telephone, fax, and email.

Information on responsibility

Optional: Describe.

See rules of procedure

Information on the process

Optional: Describe.

See rules of procedure

All information is clear and understandable Optional:

Describe.

See rules of procedure

All information is publicly available Optional: Describe.

See KraussMaffei website: <https://www.kraussmaffei.com/de/ueber-kraussmaffei/werte-2>

D. Appeal procedure

D1. Establishment of or participation in an complaints procedure

Were the rules of procedure publicly available for the reporting period?

<https://www.kraussmaffei.com/de/ueber-kraussmaffei/werte-2>

D. Appeal procedure

D2. Requirements for the appeal procedure

Please indicate the person(s) responsible for the procedure and their function(s).

External Compliance Officer: Attorney Dr. Andreas Minkoff Group

Compliance Officer/General Counsel: Dr. Markus Hunger

It is confirmed that the criteria for responsible persons contained in Section 8 (3) LkSG are met, i.e., that they offer a guarantee of impartial action, are independent and not bound by instructions, and are bound to secrecy.

- Confirmed

D. Appeal procedure

D2. Requirements for the appeal procedure

It is confirmed that arrangements have been made for the reporting period to protect potentially involved parties from disadvantage or punishment as a result of a complaint.

- Confirmed

Describe what precautions have been taken, in particular how the complaint procedure ensures the confidentiality of the identity of whistleblowers.

The complaint procedure established during the reporting period provides for the possibility of submitting reports anonymously.

Describe what measures have been taken, in particular what additional measures are in place to protect whistleblowers.

The KraussMaffei Compliance and Ethics Code (Group corporate policy) explicitly stipulates that KraussMaffei shall ensure that all employees, business partners, and other external third parties are able to contact compliance officers regarding other employees without risking reprisals.

D. Appeal procedure

D3. Implementation of the complaints procedure

Were any reports received via the complaint procedure during the reporting period?

- Yes

Please provide details on the number, content, duration, and outcome of the procedures.

The reports or notifications received via the complaint procedure during the reporting period did not concern any issues/topics relevant to the LkSG.

What topics did the complaints concern?

- Other prohibitions: The reports or notifications received during the reporting period via the complaints procedure did not concern any issues/topics relevant to the LkSG.

Describe the conclusions drawn from the complaints/reports received and the extent to which these findings have led to adjustments in risk management.

During the reporting period, no LkSG-relevant reports were received in connection with the complaints procedure. It is not known whether this is due to the complaint procedure itself or to the fact that no LkSG-relevant issues concerning KraussMaffei arose during the reporting period. Nevertheless, the complaint procedure is to be reformed in 2024 and communication with stakeholders about the existence of the complaint procedure is to be intensified.

E. Review of risk management

Is there a process in place to review the adequacy and effectiveness of risk management across the board?

In which of the following areas of risk management are adequacy and effectiveness reviewed?

- Risk analysis and prioritization process
- Preventive measures
- Complaint procedure
- Documentation

Describe how this assessment is carried out for each area and what results it has led to, particularly with regard to the prioritized risks.

For the risk analysis and prioritization process:

The risk of the individual supplier (result from the 360-degree risk score) is examined in more detail using the criteria of influence and causation. The combination of the 360-degree risk score, influence, and contribution to causation is assigned an action priority. This prioritization serves as the basis for deciding whether, when, and which preventive and remedial measures are to be taken.

The criterion of "influence" is determined by (i) the ratio between the company's order volume and the supplier's total turnover, if known, and/or (ii) a classification made by the company itself into critical, high, medium, and low influence over the respective supplier (depending, for example, on whether the risk arises with a direct or indirect supplier).

The causal contribution is determined by a classification made by KraussMaffei itself as to whether or not there is a causal contribution, e.g., due to unilateral contractual requirements on the supplier.

The criteria "type and scope of business activity," "severity of the risk/violation," and "probability of the risk occurring" influence the prioritization via the result of the 360-degree risk score. "Type and scope of business activity" are taken into account in particular in the industry and product group risks already described and via a classification of the company itself (e.g., with regard to its own size, etc.). The "severity of the risk/violation" is taken into account in particular (i) in web screening via the type and frequency of alerts (e.g., how many people are affected?) and (ii) in country and industry risks via the categorization of human rights and environmental

Risks are classified according to their criticality (e.g., child labor is considered more serious than a one-time violation of the right to strike). The "probability of the risk occurring" is taken into account in particular (i) during web screening (e.g., is there any information about the supplier's poor performance?) and (ii) via information provided by the company (e.g., have preventive measures been taken that could influence the probability of the risk occurring?).

For the area of preventive measures:

We wrote to all critical suppliers in 2023 and asked for more detailed information. It was found that the response rate and quality could be improved. Only 33% of the suppliers surveyed responded satisfactorily. We are currently working on measures to obtain better and more up-to-date information in the future.

For the area of complaint procedures:

In accordance with the guidelines published by the Federal Office of Economics and Export Control, the number of complaints and the proportion of complaints resolved were used as KPIs to measure effectiveness. During the reporting period, no LkSG-relevant reports were received as part of the complaint procedure. It is not known whether this is due to the complaint procedure itself or to the fact that no LkSG-relevant issues concerning KraussMaffei arose during the reporting period.

Nevertheless, the complaint procedure is to be reformed in 2024 and communication with stakeholders about the existence of the complaint procedure is to be intensified.

For the area of documentation:

All suppliers and subsidiaries are managed digitally in a software program and the corresponding annual risk analysis is technically locked so that subsequent changes are not possible. The results of internal surveys (HR) and on-site audits of subsidiaries are stored in the relevant HR and Sustainability departments. The documentation of compliance cases is kept in the relevant department.

E. Review of risk management

Are there processes or measures in place to ensure that the interests of your employees, employees within your supply chains, and those who may be directly affected in a protected legal position by the economic activities of your company or by the economic activities of a company in your supply chains are adequately taken into account when establishing and implementing risk management?

In which areas of risk management are there processes or measures in place to take into account the interests of those potentially affected?

- Resources & Expertise
- Preventive measures
- Complaint procedures

Describe the processes or measures for the respective area of risk management.

Employees at the German sites are represented by the IG Metall trade union and the elected works councils. These bodies help shape working conditions within the framework of the relevant laws and represented almost half of all KraussMaffei employees worldwide in 2023 (as of December 31, 2023). During the reporting period, the employer side was represented on the KraussMaffei Group Supervisory Board by three representatives employed by KraussMaffei and two representatives of IG Metall.

The complaints procedure is open to all stakeholders.