

## DECLARATION OF PRINCIPLES ON HUMAN RIGHTS

### *Responsibility for our employees*

KraussMaffei<sup>1</sup> is one of the world's leading manufacturers of machines and systems for the production and processing of plastics and rubber. Our range of products and services covers all technologies in injection molding, extrusion and reaction process machinery. We serve customers in the automotive, packaging, medical and construction industries, among others. KraussMaffei employs around 4,900 people. This Human Rights Policy Statement complements KraussMaffei's Compliance and Ethics Code and our Supplier Code of Conduct. These form the basis for all regulations and guidelines that ensure responsible, ethically correct conduct within the company. This is our self-evident claim.

### THE 10 PRINCIPLES OF THE UN GLOBAL COMPACT

#### HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should ensure that they are not complicit in human rights abuses.

#### WORKING STANDARDS

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 5: Businesses should uphold the elimination of child labor.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

#### ENVIRONMENT

Principle 7: Businesses should follow the precautionary approach to environmental challenges.

Principle 8: Businesses should take initiatives to promote greater environmental awareness.

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<sup>1</sup> KraussMaffei comprises KraussMaffei Group GmbH and all Group companies under its control, including KraussMaffei Technologies GmbH (KMT).

Principle 9: Businesses should accelerate the development and diffusion of environmentally friendly technologies.

## CORRUPTION PREVENTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

### **1 Our commitment**

Respect for human rights is a core value of KraussMaffei. We are committed to respecting all internationally recognized human rights - especially those that are relevant to our operations - and support our Declaration of Principles on Human Rights:

- ✓ the ten principles of the UN Global Compact
- ✓ the Universal Declaration of Human Rights
- ✓ the five fundamental principles and rights at work of the International Labor Organization (ILO)
- ✓ the OECD Guidelines for Multinational Enterprises
- ✓ the UN Guiding Principles on Business and Human Rights
- ✓ the United Nations Sustainable Development Goals.

We believe that these rights are inherent to all human beings. We acknowledge that these rights are interrelated, interdependent and indivisible. States have a duty to protect human rights. As a company, we recognize that we have a responsibility to respect human rights.

We take responsibility for our employees and accept our responsibility to minimize the impact of our business on the environment. Social responsibility and responsible procurement are key components of our work in accordance with the KraussMaffei Compliance and Ethics Code and Supplier Code of Conduct. This enables us to grow reliably, sustainably and in the long term, thus securing jobs worldwide.

Our guiding principle is to always comply with the applicable legal regulations in all regions and countries in which we operate. If national laws and international human rights standards differ, we ensure that we comply with national laws as a minimum standard. We then work with our operations and partners to find ways to comply with human rights standards as far as possible.

### **2 Scope of application**

This declaration of principles applies to our employees in all areas of the company worldwide. With these standards, we commit all employees to behave appropriately and lawfully - towards colleagues, partners and communities. We expect our suppliers and other

partners to also respect human rights and to pass on the obligation to respect human rights to their respective business partners.

#### International Labor Organization

The basic principles and rights at work established by the ILO are as follows:

- freedom of association and the effective recognition of the right to collective bargaining
- the elimination of all forms of forced or compulsory labor
- the effective abolition of child labor
- the elimination of discrimination in employment and occupation
- a safe and healthy working environment

The four Sustainable Development Goals on which KraussMaffei is focusing:

SDG 5: Achieve gender equality and empower all women and girls

SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

SDG 12: Ensure sustainable consumption and production patterns

SDG 13: Take urgent action to combat climate change and its impacts

### **3 Fundamental and primary human rights**

The following human rights and employee rights are of particular importance in the context of our business activities:

#### a. Child labor

We reject all forms of child labor as defined by the relevant ILO core labor standards<sup>2</sup>. This applies in particular to the worst forms of child labor, such as hazardous work, which can be harmful to the health, safety or morals of children. In accordance with the relevant ILO core labor standards, we comply with the minimum age for employment, and all our employer practices must at least be aligned with the aforementioned ILO standards.

#### b. Forced labor

We reject all forms of forced or compulsory labor. We also reject all forms of debt bondage, compulsory labor, military labor, modern slavery and human trafficking. Work must always be voluntary. In accordance with the relevant ILO core labor standards<sup>3</sup>, we do not tolerate the use of forced labor or unlawful compulsory labor in our business activities.

#### c. Diversity and inclusion

We promote a working environment that enables inclusion and in which the diversity of our employees is valued. We are committed to equal opportunities and reject any form of

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<sup>2</sup> ILO Conventions No. 138 and No. 182

<sup>3</sup> ILO Convention No. 29, No. 105 and Protocol of June 11, 2014 to Convention No. 29 of the ILO

discrimination<sup>4</sup> or harassment, for example based on gender, skin color, ethnic origin, nationality, social background, religion, ideology, age, disability, sexual orientation and identity, health status, political or other beliefs or other legally protected characteristics.

The basis for selecting and promoting employees at KraussMaffei are qualifications, performance, individual skills and experience.

#### d. Freedom of association and collective bargaining

We recognize and respect the right of our employees to form and join employee representative bodies or trade unions, to bargain collectively to regulate working conditions and, subject to applicable law, to strike<sup>5</sup>. Employees are not disadvantaged or favored in any way due to their membership or non-membership of an employee representative body or trade union or due to the fact that they act as employee representatives.

#### e. Remuneration

With our remuneration and social benefits, we want to provide a decent standard of living for our employees and their families. We are therefore particularly committed to paying an appropriate wage that is at least equal to the minimum wage stipulated by applicable law. Otherwise, this is determined by the law of the place of employment. In accordance with the relevant ILO core labor standards<sup>6</sup>, we are also committed to the principle of equal pay for work of equal value regardless of gender or other discriminatory distinctions. We pay our employees promptly and clearly communicate the basis for payment.

#### f. Working time

As a minimum, we comply with all applicable local laws regarding working hours, including overtime, rest breaks and paid vacation. In addition, we are committed to ensuring that work breaks, reasonable limits on working hours and regular paid leave are guaranteed within the framework of applicable law.

#### g. Occupational health and safety

The safety, health and well-being of our employees are of the utmost importance to us. We comply with the applicable occupational health and safety laws as a minimum standard and are committed to our own more far-reaching standards for the continuous improvement of occupational safety in order to create a safe and healthy working environment, maintain the health of our employees, protect third parties and prevent accidents, injuries and work-related illnesses.<sup>7</sup>

#### h. Data protection

We respect the privacy of all individuals and the confidentiality of all personal data we hold about them. Our Privacy Policy provides appropriate safeguards for the transfer of personal data of employees, customers and suppliers within KraussMaffei. KraussMaffei's data protection management works to ensure that the relevant data protection regulations are complied with and that the impact on privacy is kept to a minimum.

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<sup>4</sup> ILO Conventions No. 100 and No. 111

<sup>5</sup> ILO Conventions No. 87 and No. 98

<sup>6</sup> ILO Conventions No. 100 and No. 111

<sup>7</sup> ILO Conventions No. 155 and No. 187

i. Deployment of security forces

When deploying internal and external security forces to protect our business activities, we ensure that they are obliged to respect internationally recognized human rights.

j. Environment

We are committed to environmental protection. We are aware that our business activities have an impact on the environment and the climate. We regularly check whether our business activities comply with the statutory regulations on environmental and climate protection, such as the use, collection, storage, recycling and disposal of hazardous substances and waste.<sup>8</sup> We have also introduced further measures and special programmes to avoid or at least minimize negative effects on the environment and climate.

k. Local communities and indigenous peoples

We are aware that our business activities may have an impact on local communities and indigenous peoples. We respect their rights and strive to minimize the impact on the local population and their livelihoods.

## 4 Due diligence

Our commitment to respect human rights is reflected in KraussMaffei's policies, such as our Compliance and Ethics Code, Supplier Code of Conduct and processes. To comply with international human rights standards, national laws and KraussMaffei policies, we conduct appropriate due diligence on human rights and environmental risks to identify, assess and address potential and actual adverse impacts on human rights and the environment in our business activities and supply chain.

In order to review the impact of our actions on human rights, a specific risk analysis was carried out involving all suppliers of the KraussMaffei Group, including all global subsidiaries. The aim of this risk analysis is to analyze potential human rights risk issues and prioritize where particular risks are identified. The risk analysis is updated at least once a year and on an ad hoc basis. On this basis, we derive measures to avert potential risks, align our management processes accordingly and raise awareness of these issues among employees, business partners and suppliers. This has been integrated into KraussMaffei's existing risk management processes and is continuously developed where we notice deficits.

a) Risk Management:

We have defined clear responsibilities for risk management and implemented them in the HR, Health & Safety and Procurement departments. Responsibility for monitoring risk management lies with the Human Rights Officer (Sustainability department), who is supported by the Corporate Audit and Compliance departments.

b) Risk Analysis:

The risk analysis is carried out with software support for all KraussMaffei suppliers, including KraussMaffei Technologies GmbH. Our own subsidiaries are subjected to the same criteria as suppliers. They are categorized into different risk levels based on country risks, product group/industry category and AI-supported web screening. Optionally, the assessment also

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<sup>8</sup> For example, the Minamata Convention on Mercury of October 10, 2013, the Stockholm Convention on Persistent Organic Pollutants of May 23, 2001 and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal of March 22, 1989, as amended.

includes self-disclosures to be completed by the suppliers. In addition to the software-supported analysis, the company's own business division is reviewed internally by surveying all subsidiaries on processes, minimum wage, discrimination, equal treatment, respect for human rights and health and safety in the workplace and by carrying out on-site spot checks at individual subsidiaries (primarily locations outside the Federal Republic of Germany).

c) Preventive Measures:

Depending on the risks identified, we take appropriate preventive measures. These include in particular

- Risk suppliers are subjected to a special analysis and contacted directly by Procurement in order to obtain further information and develop further measures on this basis.
- Contractual assurance from certain direct suppliers that they comply with human rights and environmental expectations and address them appropriately along their supply chain, including agreement on appropriate control mechanisms.
- Training of employees in relevant business areas.
- Risk-based control measures to verify compliance with the human rights strategy contained in this declaration of principles in our own business area.

Based on the aforementioned frameworks, the following nine human rights topics were identified that could potentially be relevant along our value chain:

1. prohibition of discrimination, right to equal opportunities and equal treatment<sup>9</sup>
2. prohibition of slavery and forced labor<sup>10</sup>
3. prohibition of child labor, protection of minors<sup>11</sup>
4. freedom of thought, opinion and religion
5. freedom of assembly and association<sup>12</sup>
6. right to freedom and self-determination
7. right to work, fair pay, safe working conditions and social security<sup>13</sup>
8. right to health, welfare and safety at work<sup>14</sup>
9. right to education, further education, training

## **5 Complaints mechanism**

We encourage our employees, business partners and other external third parties to report known or suspected human rights violations or violations of this policy statement to our human rights officer or our internal or external compliance officers via the existing reporting procedures published on our website. It is possible to submit reports anonymously. In this way, we want to ensure that people who report known or suspected human rights violations or violations of this policy in good faith receive the greatest possible protection from

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<sup>9</sup> Cf. ILO Conventions No. 100 and No. 111

<sup>10</sup> Cf. ILO Convention No. 29, No. 105 and Protocol of June 11, 2014 to Convention No. 29 of the ILO

<sup>11</sup> Cf. ILO Convention No. 138 and No. 182

<sup>12</sup> Cf. ILO Conventions No. 87 and No. 98

<sup>13</sup> Cf. ILO Convention No. 155 and No. 187

<sup>14</sup> Cf. ILO Convention No. 155 and No. 187

discrimination or retaliation as a result of their report. Our employees can also contact their line managers, local management and the relevant HR and legal departments.

## **6 Whistleblowing mechanism and dealing with violations**

Upon receipt of a report, a risk-based review of the reported incident is conducted. If it is determined that there is a risk that our business activities or business activities within our supply chain cause or contribute to negative impacts on human rights or the environment, we have procedures in place to assess, modify, discontinue and/or correct our activities; we will also take appropriate measures with the aim of preventing or ending the realization of the risk within our supply chain as far as possible or minimizing the extent of the impact. If the human rights violation or the breach of this policy statement is attributable to the conduct of individual employees, this may result in measures under labor law. In the event of a breach of the law, we also reserve the right to refer the matter to the relevant authorities for further action in accordance with local legislation.

## **7 Implementation**

Responsibility for the implementation of this declaration of principles is managed by the KraussMaffei management. This ensures that every area of our company is aware of its own responsibility for respecting human rights and implementing them on a daily basis.

## **8 Communication and training**

KraussMaffei will communicate this policy statement to employees in an appropriate manner. We also offer our employees specific training on human rights and environmental issues.

## **9 Stakeholder engagement, evaluation and effectiveness monitoring**

We are aware that we are an integral part of the communities in which we operate. We seek constant dialog with stakeholders to better understand and take into account their views and expectations regarding human rights.

We also regularly review and evaluate how we can best optimize and strengthen our approach to human rights and environmental protection within our sphere of influence. At least once a year and on an ad hoc basis, we also review the effectiveness and appropriateness of our measures to prevent human rights and environmental violations, in particular the effectiveness and appropriateness of preventive measures, remedial measures and the complaints procedure.

## **10 Documentation, reporting and monitoring**

We continuously document the fulfillment of our due diligence obligations within the meaning of § 3 LkSG (German Supply Chain Due Diligence Act) internally and keep these in accordance with the legal requirements. KraussMaffei will report annually on the measures taken to implement the due diligence obligations in the supply chain, in particular on the

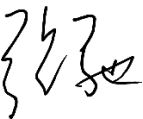
result of the risk analyses and the evaluation of the measures taken to mitigate the risks. Furthermore, KraussMaffei communicates in its annual and sustainability report in accordance with this declaration of principles regarding commitments, declarations and activities relating to human rights and environmental protection. KraussMaffei regularly reviews the progress made in implementing this declaration of principles.

**11 Final provision**

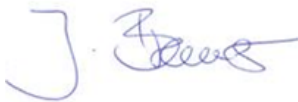
KraussMaffei reviews and, if necessary, updates this Human Rights Declaration annually and on an ad hoc basis. This declaration was last updated on March 8, 2023. It has no retroactive effect. No rights or claims of individuals or third parties can be derived from this declaration of principles. Only the German version of this declaration of principles is binding.

If you have any questions about the Human Rights Declaration, please contact [sustainability@kraussmaffei.com](mailto:sustainability@kraussmaffei.com).

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Chi Zhang  
CEO KraussMaffei Group



Jörg Bremer  
CFO KraussMaffei Group



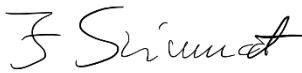
Yong Li  
CAO KraussMaffei Group



Markus Bauer  
Managing Director KMT



Jörg Stech  
Managing Director KMT



Frank Szimmat  
Managing Director KMT