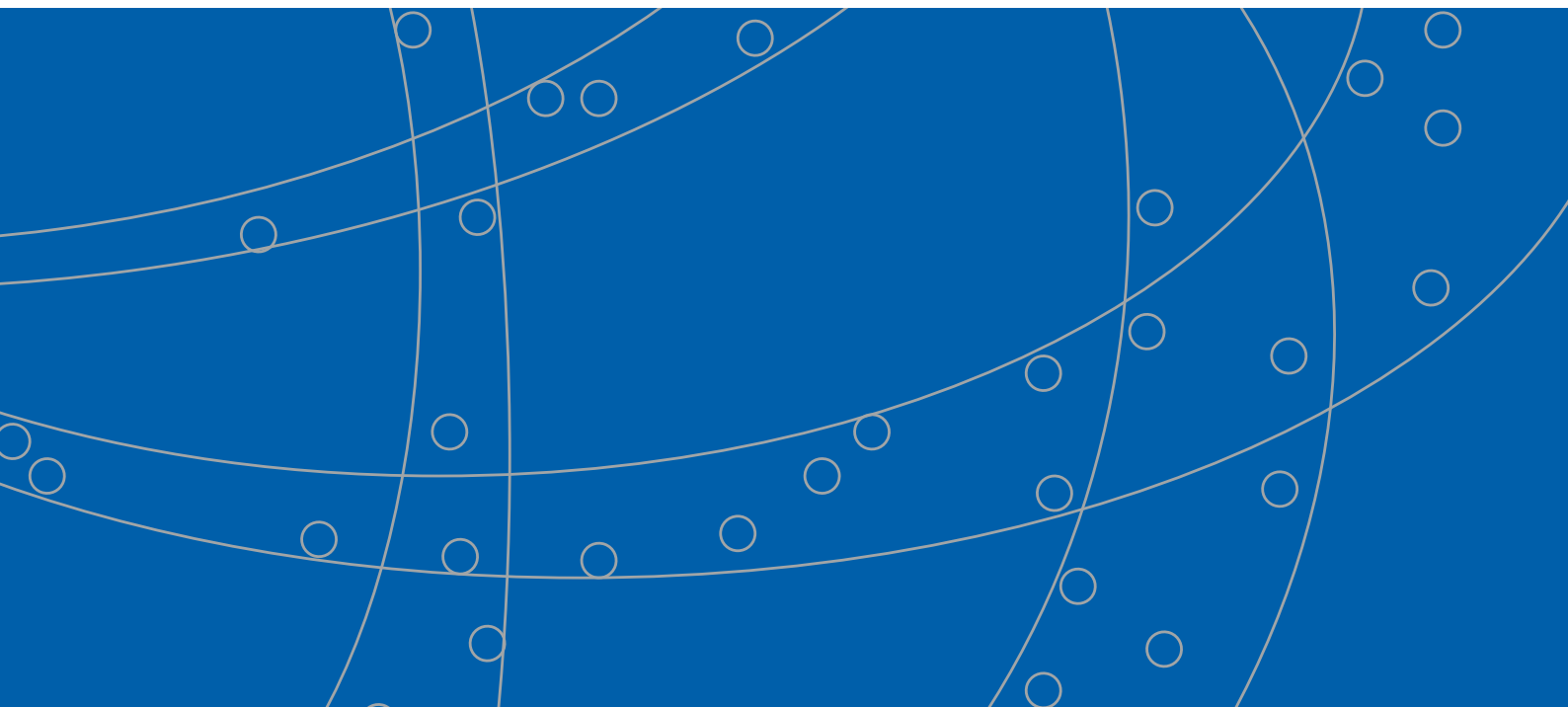


Partners for the future Supplier Code



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## Partners for the future

Dear suppliers,

Within the Corporate Guidelines and Code of Conduct, KRONES AG and its employees have committed themselves to support and apply the basic principles in the areas of human rights, working conditions, environmental protection, and the fight against corruption.

KRONES expects its suppliers to operate in accordance with these principles and would like them to share its ethical values. This suppliers' code of conduct is an integral part of KRONES' concept of sustainable business development. By accepting an order from KRONES, suppliers commit themselves to adhere to these basic principles at all of their sites and in all of their activities and to monitor their sites and activities to ensure compliance.

Compliance with this code of conduct is an essential condition to continuation of the business relationship between the supplier and KRONES.



Volker Kronseder  
Chairman of the board

# Labour

## Child labour

The minimum age for employment shall be based on the laws of the respective country and shall not be less than 14 years of age regardless of the type of work.

*The minimum age for employment shall be based on the laws of the respective country.*

The minimum age for allowing any type of employment or work which by its nature or the conditions under which it is performed may harm the health, safety, or morals of young people shall be based on national laws and shall not be under 16 years of age.

*Reference:*

*IAO Convention No. 138, the Minimum Age Convention*

*IAO Convention No. 182, the Worst Forms of Child Labour Convention*

## Forced labour

Forced or compulsory labour of any type is prohibited. Workers shall be free to leave work or terminate employment with reasonable notice as provided for under the law.

*Forced or compulsory labour of any type is prohibited.*

Employers are prohibited from withholding any identity papers, passports, training or apprenticeship certificates, work permits, or other documents. Employing convicts is permitted. The only condition is that their work must be voluntary and they must be remunerated for their work.

*Reference:*

*IAO Convention No. 29 concerning forced or compulsory labour*

*IAO Convention No. 105 concerning the abolition of forced labour*

## Fair treatment

Inhumane treatment, corporal punishment, verbal abuse, threats, and mental or physical coercion are prohibited.

## Working hours

Working hours shall be based on national laws.

The workweek shall be restricted to a maximum of 60 hours, with at least one rest day per week.

*Reference:*

*IAO Conventions Nos. 14 and 106 concerning weekly rest*

## Wages and benefits

Suppliers shall pay workers at least the minimum wage required by applicable laws and regulations and provide legally mandated benefits. (This also applies to apprentices, interns, and employees in trial period.) In accordance with national laws on maximum working hours, overtime shall be paid at a higher rate than normal working hours.

*Suppliers shall pay workers at least the minimum wage required by applicable laws and regulations and provide legally mandated benefits.*

The basis for calculating wages shall be formalised and known to all workers. Wages shall be paid in cash or by cheque or bank transfer. All other forms of payment shall only be permitted in special cases as provided for under national laws. Wages shall be paid in regular and reasonable intervals.

*Reference:*

*IAO Convention No. 95 concerning the protection of wages*

*IAO Convention No. 131 and IAO Recommendation No. 135 concerning minimum wage fixing*

## Freedom of expression and freedom of association

Workers shall be free to talk with their superiors about working conditions, pay, etc., without fear of reprisal, intimidation, or threats. Employees are entitled to belong to trade unions as permitted by and in accordance with applicable laws and regulations.

### Reference:

*IAO Convention No. 87 concerning freedom of association and protection of the right to organise*

*IAO Convention No. 98 concerning the right to organise and to bargain collectively*

## Equal opportunity

Suppliers shall not discriminate against any worker on the basis of race, skin colour, age, gender, sexual orientation, marital status, ethnicity, disability, religion, political affiliation, union membership, etc. in hiring or employment practices, including access to training and continuing education, promotion, and remuneration.

### Reference:

*IAO Convention No. 100 concerning equal remuneration*

*Suppliers shall not discriminate against any worker on the basis of race, skin colour, age, gender, sexual orientation, marital status, ethnicity, disability, religion, political affiliation, union membership, etc. in hiring or employment practices, including access to training and continuing education, promotion, and remuneration.*



## Health and safety

Suppliers shall guarantee working conditions that optimally protect workers' safety and health at all sites. Suppliers shall create an organisation for occupational safety and health, whose task is to define and implement company policy with respect to occupational safety and health by means of an occupational safety and health management system. Proper application of this management system shall be monitored in accordance with applicable national laws and regulations.

*Suppliers shall guarantee working conditions that optimally protect workers' safety and health at all sites.*

### Protection of workers' health and safety

Suppliers shall identify risks (especially chemical, physical, mechanical, and biological risks) and take all necessary actions to ensure the safety and health of employees at work and the integrity of the infrastructure provided them.

### Operation and maintenance of equipment

Suppliers shall possess all of the processes and means necessary for ensuring the safe operation and appropriate maintenance of all equipment (production, supply, etc.).

### Emergency preparedness

Suppliers shall anticipate, identify and assess emergency situations and take all measures necessary to minimise their impact both on site and off site by effectively implementing emergency plans and procedures.

## Environmental impact

Suppliers shall operate all sites in a responsible manner in order to minimise the environmental impact of their activities.

Suppliers shall endeavour to eliminate or reduce pollution caused by their activities in order to conserve natural resources. In addition, suppliers shall avoid or minimise the use of hazardous substances and promote the recycling or reuse of waste.

*Suppliers shall endeavour to eliminate or reduce pollution caused by their activities in order to conserve natural resources.*

### Compliance with laws and regulations

Suppliers shall comply with the laws and regulations of the countries in which they operate. Suppliers shall obtain and keep current all required certificates, registrations and/or permits for operating their sites and meet the requirements of such certificates, registrations and permits.

### Wastewater and emissions

Suppliers shall monitor, control, and treat wastewater generated from operations before discharge. Suppliers shall monitor, control, and treat air emissions of hazardous substances before discharge into the atmosphere.

### Solid waste

Suppliers shall recycle or reuse solid waste wherever possible. Suppliers shall ensure that all solid waste generated at all sites is managed under a secure, reliable waste management system that covers handling, movement, storage, recycling, etc.

Suppliers shall ensure that all solid waste – and hazardous waste in particular – is disposed of in secure, properly permitted facilities. Traceability of disposal must be ensured.

### Pollution prevention

Suppliers shall ensure that all substances that pose a threat to the environment are properly identified, labelled, and stored in order to ensure proper handling and disposal in the event of leaks or accidental spills. Suppliers shall ensure that they have an organisation in place that is prepared and has the necessary means available to deal with accidents entailing a risk of land or water pollution.

*Suppliers shall ensure that all substances that pose a threat to the environment are properly identified, labelled, and stored.*

### Resource management

Suppliers shall endeavour to reduce their consumption of energy, water, and non-renewable resources.

### Climate change

Suppliers shall measure their emissions of greenhouse gases and voluntarily commit to reducing them.



## Ethics

Suppliers shall commit to fight all forms of corruption, including blackmail and bribery.

Suppliers are prohibited from offering KRONES Group employees money in any amount, gifts, loans, discounts, or valuables. Gifts and invitations that fall within the scope of normal business hospitality, custom, and courtesy are excluded from this prohibition.

*Suppliers shall commit to fight all forms of corruption, including blackmail and bribery. Suppliers are prohibited from offering KRONES Group employees money in any amount, gifts, loans, discounts, or valuables.*

### Ensuring compliance

Suppliers shall have all necessary internal procedures and processes in place to sufficiently ensure compliance with all of the above principles.

### Auditing

Suppliers shall permit KRONES to audit compliance with these principles or to have an independent third party that is approved by both parties audit compliance and to take appropriate action in the event of noncompliance.





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