



Policy Statement on Human Rights and Environmental Protection

KAEFER. When it counts, count on us.



KAEFER

Contents



| | |
|---|-----------|
| 1. Preface | 5 |
| 2. Implementation of the Human Rights strategy | 7 |
| 2.1 Risk management | 9 |
| 2.2 Responsibilities | 9 |
| 2.3 Risk analysis | 12 |
| 2.4 Preventive measures | 15 |
| 2.5 Complaints procedure | 17 |
| 2.6 Corrective measures | 17 |
| 2.7 Effectiveness | 18 |
| 2.8 Documentation & report | 18 |
| 3. Aspiration | 19 |

1. Preface

The KAEFER Group has always been committed to corporate responsibility and sustainability. Respect for Human Rights is a fundamental value for us and plays a central role in our corporate culture and the policies that guide our daily actions.

This policy statement describes the approach of KAEFER SE & Co. KG and its companies worldwide with regard to Human Rights and is based on the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz) and internationally recognised standards. In this way, we ensure that respect for Human Rights and environmental protection is guaranteed within the KAEFER organisation worldwide*.

Implementation is the responsibility of the management of the individual KAEFER companies. At the same time, we oblige our employees not only to observe the principles laid down in the Code, but also to anchor them in their professional behaviour with conviction and commitment.

We are committed to creating and promoting a working environment that respects the fundamental principles of Human Rights. As a Group, we are determined to promote and ensure that Human Rights are understood and respected as a matter of the highest priority in all areas in which we operate, as well as through our employees, suppliers and partners around the world.

We strive to continuously improve our activities and commitment to Human Rights throughout the Group. Human Rights are set out in the KAEFER Code of Business Conduct and the KAEFER Supplier Code of Conduct.

In addition, we have established our independent KAEFER Compliance Helpline to identify perceived grievances, and to actively and decisively address them. Our internal and external Human Rights risk management is designed not only to prevent, but also to address any negative impacts caused or contributed to by our activities.

Our Human Rights risk management is dynamic; we regularly review and update it to keep our finger on the pulse. We report publicly on how to meet our internal and external Human Rights due diligence obligations.

With these measures, we want to fulfil our corporate responsibility and contribute to the protection of Human Rights and the environment within the KAEFER Group and in our supply chain.



Dr. Roland Gärber
CEO



Sandro Barrach
COO



Karsten Wirth
CFO



2. Implementation of the Human Rights strategy

KAEFER is guided by international standards and frameworks. Our Human Rights and environmental protection strategy is therefore based in particular on the following guidelines:

- > The United Nations Universal Declaration of Human Rights
- > The United Nations Guiding Principles on Business and Human Rights
- > The United Nations International Covenant on Civil and Political Rights
- > The United Nations International Covenant on Economic, Social and Cultural Rights
- > The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work

Our Human Rights and environmental protection strategy includes and goes beyond national laws.

This policy statement is part of KAEFER's Human Rights strategy. It should be read in conjunction with the following KAEFER policies and regulations:

- > KAEFER Code of Business Conduct
- > KAEFER Company Policy
- > KAEFER Environmental Policy
- > KAEFER Sustainability / ESG Policy
- > KAEFER Supplier Code of Conduct

KAEFER's Human Rights strategy aims to avoid or minimise risks to Human Rights and to prevent, end or minimise the extent of Human Rights abuses. To achieve this, we have implemented appropriate measures in our own company and in our procurement processes. All measures focus on our own employees and the employees of our suppliers; we involve other stakeholders through regular stakeholder dialogues in various formats and as part of our materiality analysis. KAEFER always pays particular attention to involving and considering the interests of potentially affected parties in all areas.

2.1 Risk management

KAEFER has established a comprehensive risk management system for Human Rights within the company and in the supply chain. Efficient risk management process structures ensure the success of our measures and a continuous improvement process. We regularly review the effectiveness of all risk management measures and make adjustments where necessary. The management of the KAEFER Group is informed about risk management at least once a year. Risk management is divided into the following sub-processes: Risk analysis, preventive and corrective measures, complaints procedure, effectiveness review, documentation and reporting.

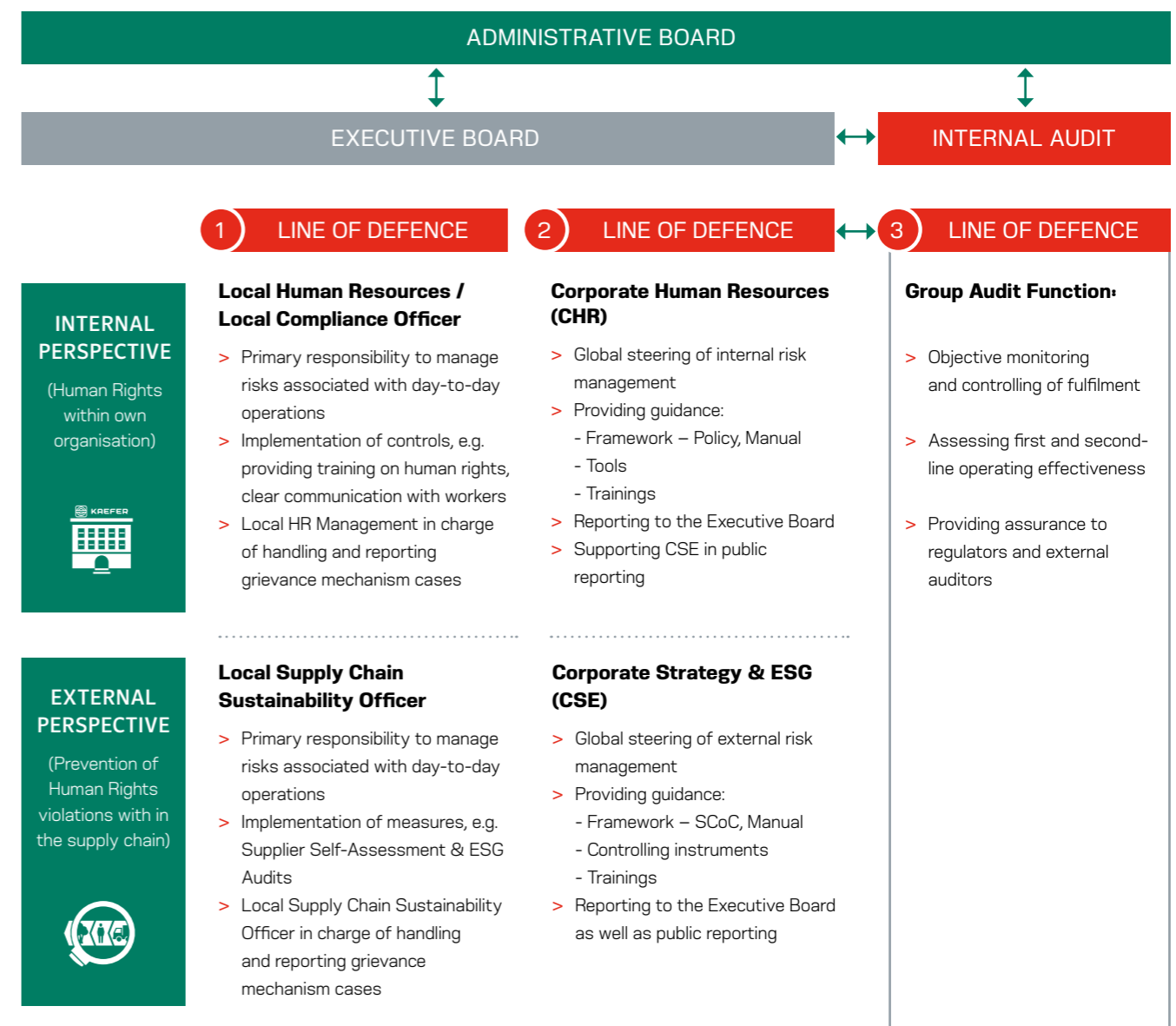
2.2 Responsibilities

KAEFER ensures compliance with the Human Rights strategy through clear structures, responsibilities and communication. The Executive Board is responsible for Human Rights compliance at a strategic level. As part of the ESG/Sustainability Steering Committee (ESG stands for Environment, Social and Governance), a Human Rights working group meets regularly to discuss the implementation of the Human Rights strategy in all relevant business processes and the improvement of processes. The interdisciplinary composition of this working group, which includes the heads of Corporate Human Resources (CHR), Corporate Compliance, Consulting & Audit (CCA) and Corporate Strategy & ESG (CSE), ensures cooperation and the multifaceted development of the topic in the processes.

At KAEFER, we have decided to structure responsibility for Human Rights due diligence risk management in a similar way to our long-established compliance risk management, so that responsibility for implementing Human Rights risk management lies at the closest level. Internally, responsibility in our global business units lies with human resources departments, which work closely with local compliance officers. They are responsible for Human Rights compliance and for handling complaints.

Responsibility for Human Rights risk management in our supply chains lies with the Supply Chain Sustainability Officers in the operating units. Building on the risk management in day-to-day business, local implementation is monitored by the relevant specialist unit at Group level and reported to the Executive Board. As a third level of control, the internal audit department verifies the functionality of the processes.

Responsibilities in the internal control system





2.3 Risk analysis

KAEFER sees Human Rights due diligence as a continuous improvement process with an developing framework. We conduct annual analyses to identify potential and actual negative impacts on Human Rights and the environment in our business and supply chain.

We work with an external provider to provide an objective, holistic and understandable assessment of our own global operations and direct suppliers with respect to ESG issues. In addition, we incorporate past experience and assessments from our local procurement units into our risk analyses to assess the actual risk in our own operations and those of our suppliers. We also conduct event-driven risk analyses in case of significant changes or restructurings in our business.



EXTERNAL PERSPECTIVE

(Prevention of Human Rights violations within the supply chain)

High priority: Service suppliers, Subcontractors

- > All service providers and subcontractors must meet the same standards that we apply in our own business
- > Subcontractors and temporary employment agencies over which we have no direct control represent a due diligence risk
- > Risk management should prioritise high-risk countries of origin and the secondment of skilled workers from third countries

Low priority: Material suppliers

- > Material supplier are mostly large (capital-market-oriented) companies that are already subject to high transparency requirements
- > As the purchase of materials accounts for a comparatively small proportion our total spend, we have less influence on the rest of the upstream supply chain
- > Our environmental risk related to materials is limited, as the selection of materials is based on strict customer requirements, which generally have to meet the highest industry standards



INTERNAL PERSPECTIVE

(Human Rights within own organisation)

Human Rights focus areas within the organisation

- > Equality and freedom from discrimination
- > Health & Safety
- > Freedom of Association & Collective Bargaining
- > Labour Rights
- > Freedom from Harassment und Bullying
- > Forced and child labour

High priority: Blue collars / Workers

- > Due to the high proportion of blue-collar workers in our workforce, this group requires special attention
- > Less skilled workers are an important group in terms of Human Rights risks, as they are often unaware of their rights
- > Clear communication routines/processes for workers (e.g. toolbox talks) about their rights and obligations, and Health & Safety must be formalised and documented

For our global business units, we have determined the abstract risk of Human Rights risks by assessing the risk potential based on the evaluation of country and sector risks in indices.

In our abstract risk analysis, we identified elevated country-specific risks for some business units in the areas of freedom of association, occupational safety, working conditions and the risk of harassment and bullying.

We are therefore placing a particular internal focus on the implementation and monitoring of our global Human Rights standards in the business units where this abstract risk exists.

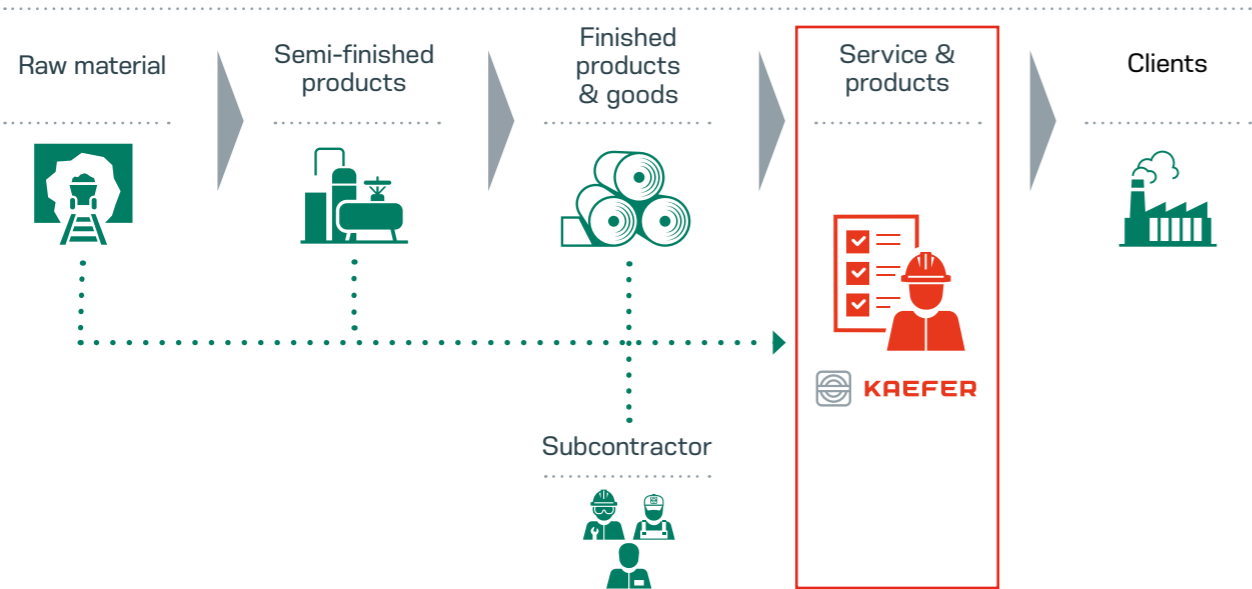
In addition to our internal Human Rights risk analysis, we have analysed our global supplier portfolio to get a clearer picture of the abstract risks. Our global supplier portfolio shows that our highest spend is on the procurement of services. Material categories play a subordinate role in our procurement, as the selection of materials is largely based on customer specifications that meet high industrial quality standards.



Material supplier are mostly large (capital-market-oriented) companies that are already subject to high transparency requirements. Due to the relatively small and diversified share of our global material sourcing, we see less opportunity to influence our suppliers and the upstream supply chain (Tier N).

The following issues have been identified and prioritised in relation to the risks associated with our direct suppliers: The focus is on our subcontractors' workers, who we use in addition to our own employees in the execution of our projects. Based on the Human Rights risk analysis, we have prioritised regional markets and certain processes, such as the secondment of workers from third countries.

KAEFER value chain



2.4 Preventive measures

KAEFER has implemented group-wide policies and guidelines and defined responsibilities to express our commitment to respecting Human Rights within our own organisation and with our business partners. The following guidelines serve as a binding framework for the daily behaviour of our employees, suppliers and business partners.

- > The KAEFER Code of Business Conduct forms the basis for our social, ethical and environmental values towards ourselves and our business partners. It formulates our requirements and expectations of our employees and suppliers on the basis of identified risks. It is communicated internally and externally.
- > The KAEFER Code of Conduct for Suppliers sets out the complementary ESG standards we expect from our suppliers.
- > KAEFER is fundamentally committed to global standards for the protection of Human Rights and has therefore developed guidelines for internal and supply chain-related Human Rights risk management.

We ensure the implementation of the above guidelines through the following preventive measures in our group of companies:

- > Training on the content of the KAEFER Code of Conduct for all employees new employees and regular refresher training for all employees.
- > We maintain a central department for occupational safety (Corporate Health, Safety and Environment), which ensures compliance with global occupational health & safety standards through an international network of occupational health & safety experts.
- > Regular consultation with the responsible employees from the business units and needs-based training ensure a high level of quality in the implementation of our Human Rights strategy.
- > We also have a high rate of certification of our business units' management systems to ISO 9001, ISO 14001 and ISO 45001.

Where we identify specific Human Rights or environmental risks with our direct suppliers, we take appropriate preventive measures as part of our risk management.

- > We require our direct suppliers to comply with our Human Rights and environmental expectations as set out in our Supplier Code of Conduct.
- > We require our relevant direct suppliers to provide self-disclosures that ensure the implementation of the requirements of our Supplier Code of Conduct, taking into account specific environmental and Human Rights risks. We ensure compliance with Human Rights and environmental standards throughout the entire duration of the business relationship.
- > To ensure the implementation of our Human Rights and environmental expectations, we engage in needs-based dialogue with our suppliers and offer web-based training to our direct suppliers.



2.5 Complaints procedure

KAEFER recognises that despite the utmost care in the area of Human Rights, violations may occur. We offer those affected within our own company, at our suppliers and along our supply chain, as well as affected third parties, secure access to our complaints procedure to report violations - anonymously if they wish. Employees can also speak confidentially to their line manager or the Compliance Department. Customers, suppliers and other business partners can also report concerns directly to their respective contacts or to Compliance.

We publicise our complaints procedure internally through regular communication campaigns and publicly through notices at our construction sites, on our websites and in public documents such as our Sustainability Report and investigate all reported concerns in confidence.

Our employees are trained on how to handle complaints, who is responsible, and how cases are investigated and documented. If a breach of the law is found, we reserve the right to report it to the relevant authorities.

2.6 Corrective measures

If the violation occurs in our own operations, we will ensure that it is stopped. If it is one of our direct suppliers or an actor in our supply chain, we will seek to remedy the situation as appropriate. We expect and require our suppliers to put an immediate end to actual Human Rights abuses. If necessary, we will work with the responsible actor to develop a plan to end the abuse, with defined timelines and responsibilities. We reserve the right to suspend or terminate the business relationship if the violation is not remedied in a sustainable manner.

Outside our company, we contractually require all of our direct business partners to respect Human Rights and to address Human Rights risks appropriately with their own business partners

2.7 Effectiveness test

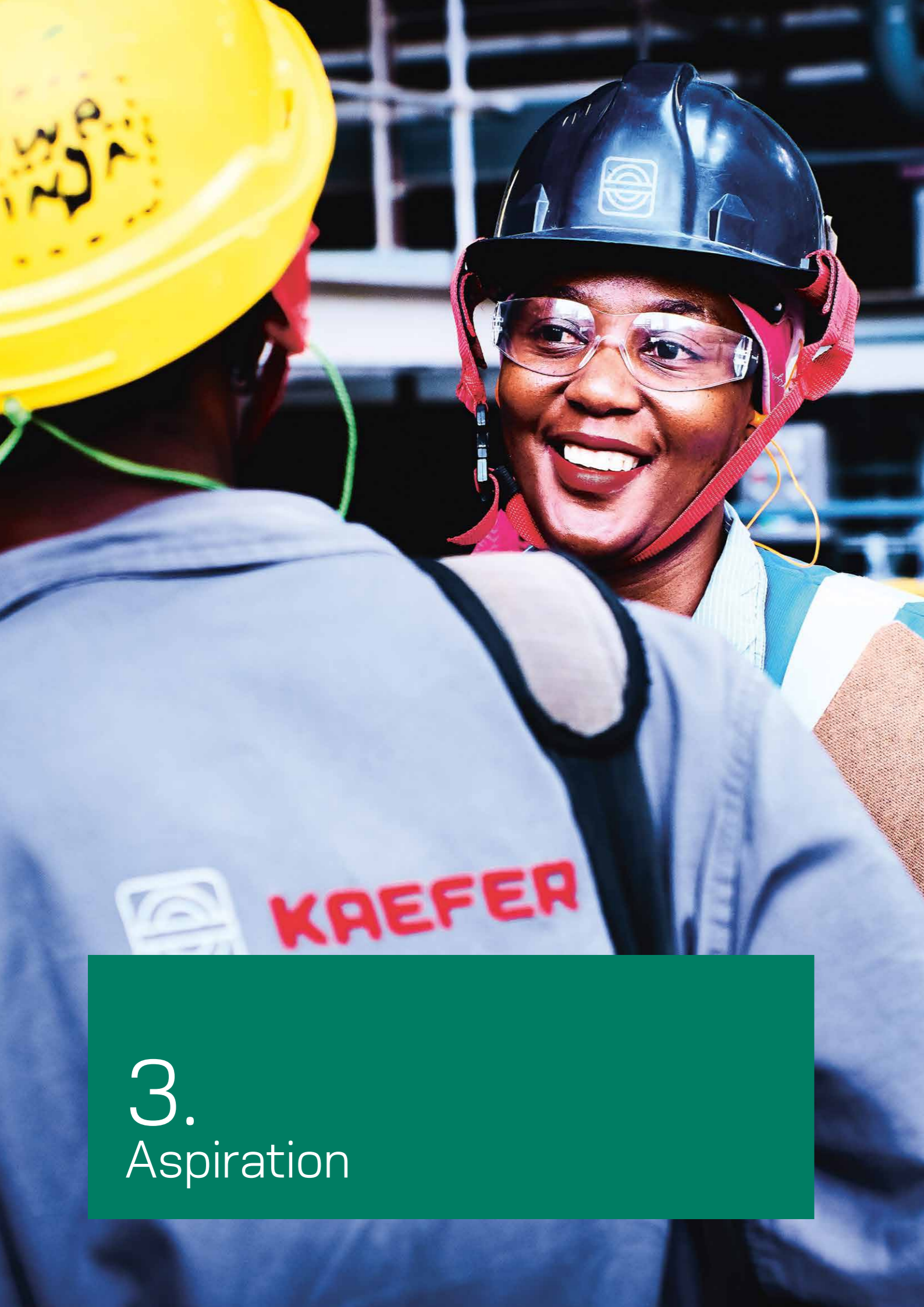
With the measures described, KAEFER ensures its due diligence with regard to Human Rights. However, global conditions and our business environment are constantly changing. We therefore review the effectiveness of all the measures described on an annual and ad hoc basis and make adjustments where necessary. We see respect for Human Rights as an ongoing process in which we strive for continuous improvement.

2.8 Documentation & report

KAEFER documents all Human Rights due diligence activities in its own company and in its supply chain and reports annually in its sustainability report on current Human Rights due diligence processes and their ongoing development.

For more information on our comprehensive sustainability management, see our [Sustainability Report](#).





3. Aspiration

We expect the content of this policy statement to be shared by all employees of the KAEFER Group and we also require our suppliers, business partners and other stakeholders to adhere to these principles.

We do not tolerate any Human Rights violations and require our suppliers to comply with the same standards that we apply in our company.

If you have any questions about Human Rights and Environmental Protection, please contact our Sustainability team:

esg@kaefer.com

To report questionable behaviour or possible violations, please use our reporting system:

KAEFER Compliance Helpline:
<https://www.bkms-system.com/kaefer>



KAEFER SE & Co. KG
Corporate Strategy & ESG
Marktstr. 2
28195 Bremen
Germany

www.kaefer.com

Compliance Helpline:
<https://www.bkms-system.com/kaefer>

