



# KONOS<sup>®</sup>

## Declaration of Principle in Respect of Corporate Policy

**Feb 2024**

**KONOS GmbH**

**Nossen**

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## 1 Principle

Our company management follows the Corporate Social Responsibility (CSR) guiding principle. It applies to all business relations and acts as a guide in our daily business activities. At all times, our goals and daily actions are geared towards these high ethical and legal standards.

For us, sustainability is the interaction between economic activity, ecological thinking and social commitment. We stand for cultural diversity and equal opportunities.

We undertake to comply with ethical, social and environmentally-relevant principles both within the company and in cooperation with our suppliers, customers and other external divisions within our supply chains.

We attach importance, in particular, to complying with fair labor and human rights, sustainable environmental protection, avoiding corruption and bribery as well as trading fairly.

Sustainable and lawful conduct is a key integral part of the corporate policy of KONOS GmbH. We undertake to comply with the bans set out in Section 2 of the German Supply Chain Due Diligence Act (LkSG).

## 2 Quality policy

KONOS GmbH had already introduced an effective quality management system in accordance with ISO 9001 in 1999. We continue to attach prime importance to implementing and up-dating it to consistently supply products that meet customer and legal/regulatory requirements.

We are a manufacturer of paper products for use in the food and medical sectors. These products necessitate compliance with a high level of quality assurance across all the company's processes. The management is thus committed to a quality management system in accordance with ISO 9001 that covers all the company's divisions.

We believe well organized operating processes associated with continual controls and improvement as a key basis for complying with the product specifications agreed with our customers, and for our commercial success.

We believe our employees are an especially important source in relation to our company's success. Every employee assumes clearly outlined responsibility in respect of securing our quality standards and exerting an influence on our production processes. Our employees thus continually take part in training and further education programs.

The maintenance and ongoing modernization of our buildings, infrastructure, machines and systems constitute a key core aspect of our daily work.

We have implemented additional management systems for food safety and environmental protection to comprehensively secure and further increase customer satisfaction.

### 3 Food safety policy

We are a manufacturer of paper products that are designed to come into contact with food. Our products may not lead to any health risks for consumers and they may not give rise to complaints as a result of variations in hygiene. Our products must, at all times, be free of biological, chemical or physical contaminants.

We therefore undertake to implement the HACCP principles and principles of good hygiene practice in our product divisions in accordance with Regulation (EC) No. 852/2004 on food hygiene. At our company, we maintain and review a product safety culture that identifies, clearly communicates and controls risks.

To honor these obligations, we have introduced an effective management system for food safety in accordance with the IFS-HPC Standard (International Featured Standards Household and Personal Care Products), and ensure that it is applied and up-dated.

Furthermore, we undertake to comply, at all times, with all statutory and regulatory requirements for food contact materials and all food safety requirements agreed with our customers.

### 4 Occupational safety policy

Similarly, we attach prime importance to occupational safety. By way of safe and ergonomic working conditions, we aim to prevent our employees suffering from accidents, injuries and illnesses.

An internally appointed safety specialist, safety officer and the superiors organize and monitor the company's occupational safety management operations. The specific implementation comprises, inter alia, the following divisions:

- Monitoring the daily occupational safety (T-O-P, ASA protocol and follow-up, inspections and check lists)
- Implementation and documentation of risk assessments for all workplaces, Machines and systems
- Compilation of operational instructions for (residual) risks
- Initial and annual instructions, monitoring of familiarization plans
- Training plan
- ASi topics notices
- Review of systems that require monitoring
- Hazardous substance register, safety data sheets, hazardous substance instructions
- Organization of First-Aid material, first responders and alarm plans
- Monitoring special assignments (fork-lift trucks, load securing, electricians, ...)
- Occupational health check-ups and regular monitoring of the Working conditions, workplaces and health of all employees by way of an externally appointed company physician
- Monitoring First-Aid books
- Processing accident reports
- Cooperation with the BG RCI and labor supervision (inspections, action plans)
- Monitoring the fire protection concept and fire protection instructions
- Monitoring the escape and rescue plans, fire service plans
- Monitoring fire extinguishers and fire extinguishing drills
- Monitoring the fire alarm system, test alarms
- Monitoring the sprinkler system

- Coordination/communication with fire protection insurers
- Processing VdS inspections
- Monitoring the security service and alarm system
- Monitoring external requirements and codes
- Monitoring visitor rules

## 5 Personnel policy

At KONOS GmbH, the personnel policy is a key element of the corporate policy. Satisfied and healthy employees are our potential for achieving our corporate goals. They are also the basis of our success.

We are committed to diversity and equal opportunities. To that end, we create an inclusive working environment that is free of prejudices or discrimination.

We do not tolerate corruption, extortion, embezzlement or bribery.

Complying with all legal regulations as part of the labor and social law of the Federal Republic of Germany is a matter of course for us. We take responsibility and feel obliged to comply with internationally recognized labor and human rights standards.

We respect and support international standards and principles such as the International Bill of Human Rights and its Universal Declaration of Human Rights, the fundamental principles of the International Labour Organization (ILO), especially the Code of Conduct of the Business Social Compliance Initiative (BSCI) and the rules of the Ethical Trading Initiative (ETI), the principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

**We have summarized the guidelines of our personnel policy separately in our “CSR – Corporate Social Responsibility” and “Human Rights Policy” Declarations of Principles in the Appendices to this document.**

### FSC® core labor standards:

We are committed to complying with the FSC® core labor standards (FSC-STD-40-004 V3-1):

- No child labor
- No employment of employees under the age of 15
- No person under the age of 18 is entrusted with hazardous or heavy labor.
- All employment relationships are voluntary and based on mutual understanding without the threat of punishment.
- No physical or sexual violence
- No withholding of wages/including payment of remuneration or payment of a deposit to take up employment.
- No restriction on mobility
- No withholding of passports or identity documents
- Employment or labor practices are non-discriminatory.
- Employees may establish or join employee organizations of their own choosing.
- The company negotiates with lawfully established employee organizations and/or properly elected representatives. Collective agreements will be implemented.

## 6 Environmental policy

Environmental protection is a key element of the KONOS GmbH corporate policy. By way of implementing an environmental management system, we want to strengthen and continually improve the ecological sustainability of our processes and products. In that respect, we want to minimize or prevent disadvantageous environmental effects at our company.

To honor this obligation, we have introduced an effective environmental management system in accordance with ISO 14001, and ensure that it is applied and permanently optimized.

We specify environmental goals, the processes required for achievement and monitor them continually. We only wish to use processes, materials, services and energy that reduce or avoid the creation and emission of any kind of substances or waste that pollute the environment. Where possible, we use renewable energies.

We focus especially on the energy efficiency of our location. We monitor these, inter alia, as part of a certified alternative energy management system in accordance with SpaEfV, Appendix 2, paragraphs 1-4. As part of the SpaEfV action plan, we continue to strive for an annual energy increase of 1 % to 3 %.

We determine the greenhouse gas footprint for Scope 1 & 2 for our company location and are working on the future implementation for Scope 3, as well as specific targets for a reduction path, e.g. using the Science Based Targets initiative (SBTi).

We attach particular importance to the use of sustainable and recyclable base papers and packaging materials. Our products should meet the requirements of the well-known and leading environmental labels FSC, PEFC, BLAUER ENGEL, NORDIC SWAN and OK KOMPOST, among others. To that end, we ensure recertification occurs permanently in accordance with the current standards and award bases. We ensure that our principal raw material, paper, is produced exclusively from pulp originating from controlled or certified sources.

We continually endeavor to reduce the total amount of waste and residual materials as much as possible. At the same time, we focus on recycling as much of our waste as possible through effective collection and separation of waste types.

We have set ourselves the long-term goal of a recycling rate (waste for utilization) in excess of 95%.

We design our product transport and sales packaging such that the amount of material used is just enough to guarantee meeting the requirements for product safety, functionality and stability.

Our sales products are made up of the unconnected elements paper, cardboard and film. End customers can easily and completely recycle or return them to the circular economy. Our principal product "Coffee filters" can be composted with their contents after use.

We ensure that the resource water is used sparingly at our location. Water consumption is monitored based on an annual water balance. Any waste water produced is fed exclusively via a direct connection to the local municipal waste water treatment plant. We avoid endangering neighboring local bodies of water by way of safely storing small quantities of chemicals.

We avoid environmental damage as a result of emergencies by way of adopting extensive measures for hazard defense in relation to fire and flood protection.

We undertake to comply, at all times, with all statutory and regulatory requirements for our processes and products and all environmental protection requirements agreed with our customers.

This also includes the bans in accordance with Section 2 of the German Supply Chain Duty of Care Act (LkSG):

- The ban on the manufacture of products containing mercury in accordance with the Minamata Convention
- The ban on the use of mercury and mercury compounds in manufacturing processes in accordance with the Minamata Convention from the phase-out date specified for the respective products and processes
- The ban on the treatment of mercury waste contrary to the provisions of the Minamata Convention
- The ban on the production and use of chemicals in accordance with the Stockholm Convention on Persistent Organic Pollutants
- The ban on the non environmentally-friendly handling, collection, storage and disposal of waste in accordance with the provisions of the Stockholm Convention
- The ban on exports of hazardous waste in accordance with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- The ban on imports of hazardous waste and other waste from enterprises that are not parties to the Basel Convention

## 7 Procurement policy

With regard to procurement, we rely on fair and long-term partnerships with our suppliers. And we want our corporate policy principles to be continued in the best possible way along the supply chain. We have therefore specified criteria for our procurement activities to work with suppliers and service providers that meet additional requirements in relation to quality, food safety, the environment, sustainability and corporate social responsibility alongside the fundamental national legal requirements.

Generally, we do not conclude business relationships with direct suppliers from high-risk countries\* (\*definition according to Amfori BSCI) in our supply chains.

In each case, we conclude a written agreement with all strategic raw material suppliers that are required for the manufacture of our finished products (e.g. suppliers of paper and packaging materials) on due diligence obligations with regard to human rights and environmental regulations and supply chain bans.

Furthermore, we obtain information at least from all strategic raw material suppliers for the manufacture of our finished products in relation to the countries of origin of their direct suppliers to conduct a risk assessment for that level of our indirect suppliers.

We maintain, monitor and control supplier complaint statistics to avoid disruptions and production downtimes. For all suppliers with turnover in excess of € 50.000 each year, we conduct an annual supplier evaluation.

## A 1 Declaration of principle in respect of the human rights policy

Sustainable and lawful conduct is a key integral part of the corporate policy of KONOS GmbH. Respect for human rights and establishing fair working conditions are key pillars of our corporate culture.

We endeavor to prevent and rectify human rights violations.

We expect the same approach from our business partners.

Indications of potential violations of our guidelines are investigated immediately and, where necessary, measures are adopted. As part of annual internal audits, we review the effectiveness of our measures and compliance with our rules and guidelines.

All employees are regularly instructed and trained, at least once a year.

### Labor and human rights principle:

KONOS GmbH is committed to honoring its responsibility to comply with internationally recognized labor and human rights standards.

We respect and support international standards and principles such as the International Bill of Human Rights and its Universal Declaration of Human Rights, the fundamental principles of the International Labour Organization (ILO), especially the Code of Conduct of the Business Social Compliance Initiative (BSCI) and the rules of the Ethical Trading Initiative (ETI), the principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

### Rules of conduct:

- Every employee may freely choose an employment relationship with KONOS GmbH. Forced labor does not apply.
- We do not tolerate child labor. Therefore, we do not employ any persons under the legal minimum age. Children and young people under the age of 18 are subject to special protection. They are not employed at our company during the night or under dangerous conditions.
- Our company provides equal opportunities for all employees. No person is subject to any discrimination based on age, disability, ethnic or cultural origin, gender, religion, belief or sexual orientation.
- Our company does not tolerate inhumane or brutal treatment, physical violence or abuse, sexual or other harassment, verbal abuse or other forms of intimidation.
- Our company does not tolerate corruption, extortion, embezzlement or bribery. Employees are prohibited from requesting, being promised or accepting gifts or other benefits in the course of business activities. An exception only applies to low-cost small items that are not likely to influence business activities. A decision by the employer must be obtained to ensure transparency in the event of doubt. Christmas gifts from business partners are distributed to employees annually as part of a raffle. This prevents self-enrichment.



## A 2 CSR “Corporate Social Responsibility” declaration of principle

Our company management follows the Corporate Social Responsibility (CSR) guiding principle. It applies to all business relations and acts as a guide in our daily business activities. At all times, our goals and daily actions are geared towards these high ethical and legal standards.

For us, sustainability is the interaction between economic activity, ecological thinking and social commitment. We stand for cultural diversity and equal opportunities.

We undertake to comply with ethical, social and environmentally-relevant principles both within the company and in cooperation with our suppliers, customers and other external divisions within our supply chains.

We attach importance, in particular, to complying with fair labor and human rights, sustainable environmental protection, avoiding corruption and bribery as well as trading fairly.

Sustainable and lawful conduct is a key integral part of the corporate policy of KONOS GmbH.

The CSR policy below focuses on our voluntary commitment to implementing the necessary measures, with prime importance given to compliance with laws and regulations.

Our guidelines are divided into human rights, social affairs, sustainability and environmental protection as well as economic efficiency and procurement.

### Human rights:

KONOS GmbH is committed to honoring its responsibility to comply with internationally recognized labor and human rights standards.

We respect and support international standards and principles such as the International Bill of Human Rights and its Universal Declaration of Human Rights, the fundamental principles of the International Labour Organization (ILO), especially the Code of Conduct of the Business Social Compliance Initiative (BSCI) and the rules of the Ethical Trading Initiative (ETI), the principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

**The principles of our human rights policy are explained in Appendix 1 of this document.**

### Social matters:

- Every employee is given a written contract of employment in relation to all legal regulations. This forms the basis of the employment relationship.
- Every employee receives appropriate monthly remuneration that at least corresponds with legal requirements.
- Our company complies with all legally specified limits on working hours. Overtime worked is remunerated by way of bonuses, but can also be compensated by taking time off.
- Our working conditions are safe and hygienic. Safety specialists and officers organize and monitor occupational safety to prevent and avoid occupational accidents. External company doctors regularly monitor working conditions, workplaces and the health of all employees.
- We train our employees continually, and regularly, at least once a year.
- Our employees have the right to freedom of association and the right to collective bargaining. Employee representation is in place at the company. Employee representatives and the employer have signed a comprehensive package of company agreements.

- We treat the personal data of all employees strictly in confidence and in compliance with the provisions of the German Federal Data Protection Act and other legal requirements. The internal data protection officer monitors and advises in that regard.
- We have put in place an internal reporting center for complaints, information or suggestions in accordance with the German Whistleblower Protection Act. Our employees, as well as customers, suppliers and temporary workers, can contact the internal reporting center at any time, including anonymously. Experts assess and process incoming reports without delay. Grievances are rectified immediately. Suggestions for improvement from our employees are regularly discussed with the division heads and management. Measures are derived and implemented promptly.
- We demonstrate our social commitment locally by way of donations and sponsorship.

**Sustainability/environmental protection:**

The principles of our environmental policy are explained in Chapter 6 of this document.

**Economic efficiency and procurement:**

The principles of our procurement policy are explained in Chapter 7 of this document.