

Human Rights Policy Statement

Our commitment

Responsible conduct is one of the core values in KSB's corporate history of almost 150 years and an indispensable pillar of the Group strategy. This is why we joined the UN Global Compact, systematically align our business activities with its ten principles and support the United Nations 17 sustainable development goals.

Balancing economic success and value orientation is of great importance in our business environment. This applies to our own employees, customers, business partners and shareholders as well as to the communities in which we operate worldwide.

Respecting human rights is a core element of corporate social responsibility. We recognise the obligations this entails throughout the company and along the entire value creation chain. Wherever we become aware of violations of human rights principles, we urge that they be stopped immediately. We therefore expect our business partners to act in accordance with this Policy Statement.

This Human Rights Policy Statement is based on the International Bill of Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, the ten principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Wherever KSB operates, we observe the applicable laws. In countries where local laws conflict with internationally recognised human rights, we seek ways to meet the international standards mentioned above in a way that does not conflict with local laws.

Other applicable documents are:

- KSB Code of Conduct
- KSB Sustainability Policy
- KSB Quality, Environmental Protection, Occupational Health and Safety Guidelines

Human rights in business operations and business relations

In addition to the internationally recognised and codified human rights, we have undertaken further assessments to identify potential risks of material significance for our business activities:

Occupational health and safety

Occupational health and safety are our top priority. This applies equally to our own employees, those of our partner companies and to the neighbours and local residents around our sites worldwide.

Work environment

All employees shall be treated with dignity and respect; harassment and mistreatment will not be tolerated. We are convinced that the diversity of our staff enriches the company. For this reason we value diversity and do not tolerate discrimination.

Remuneration

We pay fair and performance-related wages and salaries that meet or exceed the legal or industry standards.

Company safety and security

We take responsibility for the safety of our employees, sites and transport as well as for information that is particularly deserving of protection.

Impact of our products

We make a significant contribution to reducing our customers' CO₂ footprint with our energy-efficient products. We are constantly improving our products in order to further optimise their energy input throughout their entire service life. We use recyclable materials for our products wherever possible.

Anti-corruption

We subscribe to the notion that corruption compromises human rights. This is why we do not tolerate corruption ("zero tolerance") and are committed to fair business practices. We have created a binding, global compliance management system to support the compliant conduct of all employees.

Child labour, forced labour and human trafficking

We do not tolerate child or forced labour. This also applies to all forms of slavery and human trafficking.

Freedom of association and collective bargaining

We acknowledge the fundamental right to form, join or consider forming or joining trade unions and to bargain collectively. We are committed to working with our employees and their representatives in a spirit of trust.

Business partners

KSB does not tolerate human rights violations. We therefore expect our business partners to act in accordance with this Policy Statement. We use active supplier management to identify and avoid risks in the supply chain.

Communities and indigenous peoples

At our sites, we see ourselves as a partner and good neighbour who respects the rights of local residents and contributes to positive local development. We recognise the rights of indigenous peoples in accordance with the relevant declaration of the United Nations.

Implementation and monitoring

The following activities are part of our human rights due diligence:

- Human Rights Policy Statement
- Measures to raise awareness amongst employees
- Taking stock of the impact of our business activities on human rights
- Anchoring and integration of applicable obligations in management systems
- Monitoring and transparent annual reporting
- Remedy and complaint mechanisms

Our employees can contact KSB's Compliance Organisation or an ombudsman to report potential human rights violations or if they have questions.

KSB is continuously developing its human rights due diligence.

Management of KSB SE & Co. KGaA, September 2020



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