



# Business Partner and Supplier Code of Conduct

("BPS CoC")

Kia Europe GmbH

Execution Date	15 December 2023
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## KIA EUROPE GMBH

### BUSINESS PARTNER AND SUPPLIER CODE OF CONDUCT

#### PREAMBLE

Dear Business Associates,

Being part of a globally operating company, Kia Europe GmbH (hereinafter "**Kia EU**") is subject to various national and international laws and regulations. Further, Kia EU has an ethical responsibility towards its employees, customers, business partners, (sub-) suppliers, shareholders the public and the environment. Kia EU takes its responsibilities seriously and is committed to doing business based on integrity, honesty, openness and fairness as well as in compliance with applicable laws and in an ethical and transparent way.

Kia Corporation, Kia EU's parent company, is a participant of and thus supports the UN Global Compact. Our company is also committed to comply with human rights/labor-related international standards and guidelines, such as the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, International Labour Organization Constitution and OECD Due Diligence Guidance for responsible Business Conduct.

This commitment does not only rely on our own employees but also on our relationship with Business Associates. Therefore, Kia EU strives to conduct business with Business Associates that share Kia EU's core values and do business in the same manner. Kia EU's Business Partner and Supplier Code of Conduct codifies our own commitment and expectations of these Business Associates. When providing services or manufacturing for Kia EU, Business Associates are expected to comply with all laws and regulations applicable to the service or production. Such applicable rules include the fundamental Conventions of the International Labor Organization, the UN Global Compact and the OECD Guidelines.

Kia EU is committed to respect the guidelines outlined below and expects the same from its business partners and suppliers.



*Won Jeong Jeong*  
*President & CEO Kia EU*

## 1. DEFINITIONS

1.1 **"Business Associate"** includes Business Partners and Supplier as defined in Sec. 1.2 and Sec. 1.3.

1.2 **"Business Partner"**: A Business Partner is any individual or entity/organization which supports Kia EU in developing, producing, registering, marketing and selling Kia products or providing services in any way. This particularly includes, but is not limited to, the following persons or entities:

- (a) **"Distributor"**: An independent trader of Kia EU's products, which it sells, hires, leases or otherwise distributes in its own name, on its own account and on its own risk in a specified territory.
- (b) **"Joint Venture Party"**: A Joint Venture Party under this Business Partner and Supplier Code of Conduct is a Business Partner that agreed to pool its resources with Kia EU for the purpose of a special task which is at least to some extent related to marketing and/or sales activities.
- (c) **"Consultants"**: A Consultant is an independent specialist that is retained by Kia EU to provide advice and other related services in connection with developing, producing, registering, marketing and selling Kia's products and/or services.

1.3 **"Supplier"**: A Supplier is any individual or entity/organization that, upon Kia EU's specific order, delivers products or provides services as part of the supply chain of Kia EU.

1.4 **"BPS CoC"**: This Business Partner and Supplier Code of Conduct is hereinafter referred to as BPS CoC.

## 2. PURPOSE AND SCOPE

This BPS CoC sets out the standards of business conduct and business practices that Kia EU expects its Business Associates to adhere to. It is intended to contribute globally to compliance with laws and regulations as well as the highest ethical standards in the development, production, sales, distribution, product support and

provision of services. Business Associates must address the standards appropriately throughout their supply chains.

This BPS CoC applies to all Business Associates working with Kia EU. Business Associates shall provide this BPS CoC to all employees and other individuals or companies involved in activities for Kia EU in addition to any own codes and policies.

If applicable national legislation or regulations impose stricter rules, such provisions take precedence. Applicable legislation may include but is not limited to legislation of the country of the Business Associates' citizenship or headquarters or any locations where Business Associates are taking actions or Business Associates' actions lead to certain consequences. This BPS CoC also only sets out minimum requirements. If contractual provisions with members of Kia EU stipulate stricter requirements, those stricter requirements apply. In case of doubt, please contact your point of contact at Kia EU.

### **Changes and audit, termination right**

Kia EU may unilaterally amend the BPS CoC even after a contract has been entered into if there is a material reason to do so (such as changed legal requirements or a materially changed or expanded risk situation). Kia EU will notify the Business Associate of any such change sufficiently in advance.

Breach of this BPS CoC can have severe consequences for Kia EU and Business Associates. Therefore, Kia EU reserves the right to monitor and audit compliance with this BPS CoC. Kia EU will not knowingly do business with Business Associates who violate applicable laws and regulations, including local, environmental and employment laws, as well as internal guidelines which have been shared with Business Associates as part of the contract. Violations of this BPS CoC shall be strictly pursued with appropriate measures, legal and otherwise. Consequences may include but are not limited to termination of business relationships and all related contracts.

## **3. HUMAN RIGHTS**

### **3.1 Protection of human rights and responsible sourcing**

Kia EU supports and respects the internationally recognized Human Rights as stated in the Universal Declaration of Human Rights, the United Nations (UN) Guiding Principles on Business and Human Rights and the ILO Core Labour Standards and others. All these frameworks flow into Kia EU's principles and values constituting the basis for Kia EU's business. Kia EU aims to promote those principles and values with its Business Associates and along its supply chain.

Kia EU expects that Business Associates uphold these rights and treat their employees accordingly. Kia EU does not accept any violations of these rights and will take the relevant actions under Section 2 in the case of any such violation.

### **3.2 No child labor**

The protection of children's development, their childhood, dignity, health, safety and education are of utmost importance for Kia EU. Any form of child labor, including the worst forms of child labor (e.g. illegal activities or work that may affect the health, safety or morals of children), is prohibited in Kia EU's supply chain. Business Associates shall ensure the protection of children by appropriate means.

In order to implement the prohibition of child labor, Business Associates shall i.a. implement an appropriate mechanism to verify the age of workers. When employing workers under the age of 18 is permitted by applicable law and ILO Conventions, these workers shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

### **3.3 No forced labor and (modern) slavery**

Kia EU expressly rejects any form of forced labor / bonded labor / indentured labor / involuntary prison labor / (modern) slavery or human trafficking and expects its Business Associates to do the same. Business Associates shall ensure already in the course of recruiting that employees carry out their activities on a voluntary basis, respecting applicable laws and regulations on working hours and minimum wage, and are free to terminate at any time.

Business Associates shall provide employees with an employment agreement in the language as required by local applicable law that contains a description of

terms and conditions of employment. Business Associates shall refrain from (directly or indirectly via third parties) hold or otherwise destroy, conceal, or confiscate identity or immigration documents unless required by applicable law. Business Associates shall not demand any recruitment fees or other related fees for their employment.

All forms of slavery, practices akin to slavery, serfdom or other forms of domination or oppression in the workplace, such as extreme economic or sexual exploitation and humiliation are prohibited.

### **3.4 Health and safety**

Kia EU is committed to providing a safe, healthful and injury-free workplace for its own employees, but also for employees along the supply chain. Health and safety are a priority consideration.

The Business Associate shall obey to the occupational safety and health obligations under applicable laws at the place of employment, in particular to avoid (i) obviously insufficient safety standards in the provision and maintenance of the workplace, workstation and work equipment; (ii) the absence of appropriate protective measures to avoid exposure to chemical, physical or biological substances; (iii) the lack of measures to prevent excessive physical and mental fatigue, in particular through inappropriate work organization in terms of working hours and rest breaks; and (iv) the inadequate training and instruction of employees.

Business Associates shall warrant for appropriate processes to identify, assess and reduce actual and potential accidents and health risks, the recording and investigation of incidents, the training and instruction of employees in a form that they can understand, the provision of suitable work equipment and protective gear, and appropriate measures for emergency prevention and defense.

### **3.5 Freedom of association**

Kia EU acknowledges the positive impact of a sound cooperation between a company and their employees to the benefit of the company, the employees and the local communities.

Business Associates must not disregard the freedom of association, according to which (i) employees are free to form or join trade unions, (ii) the formation, joining and membership of a trade union must not be used as a reason for unjustified discrimination or retaliation, (iii) trade unions are free to operate in accordance with applicable law of the place of employment, which includes the right to strike and the right to collective bargaining.

Employees and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

### **3.6 No discrimination**

Kia EU views as unacceptable any form of harassment or unfair or unlawful discrimination based on race, age, gender, skin color, sexual orientation, marital status, pregnancy, religion, political party affiliation, political opinion, trade union membership, disability, ethical background, social heritage, social status, national origin and all other attributes protected by applicable laws.

We expect that Business Associates also provide a workspace free of harassment and unlawful discrimination. In particular, we expect the payment of equal remuneration for work of equal value.

### **3.7 No harmful environmental effects and no deprivation of land**

Business Associates shall not cause any harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that (i) significantly impairs the natural bases for the preservation and production of food, (ii) denies a person access to safe and clean drinking water, (iii) makes it difficult for a person to access sanitary facilities or destroys them or (iv) harms the health of a person.

The Business Associate shall not unlawfully evict. He shall not unlawfully take land, forests or waters, the use of which provides a person's livelihood, when acquiring, developing or otherwise using them.

### **3.8 No uncontrolled use of security forces**

The Business Associate is prohibited of hiring or usage of private or public security forces for the protection of the enterprise's project if, due to a lack of instruction or control on the part of the enterprise, the use of security forces (i) is in violation of the prohibition of torture and cruel, inhumane or degrading treatment, (ii) damages life or limb or (iii) impairs the right to organize and the freedom of association.

#### 4. ENVIRONMENT

Environmental protection has high priority for Kia worldwide. Business Associates shall have appropriate processes to identify, assess and reduce actual and potential environmental risks. Business Associates shall respect the environment supporting a precautionary approach to environmental challenges and to comply with applicable environmental laws and regulations.

Business Associates agree to support the elimination of materials and methods that pose environmental and health risks (or hazards) and agree to work to minimize the impact of their operations and that of their own suppliers on the environment. Waste and other materials posing a hazard to humans or the environment are to be identified, labelled, and managed properly in accordance with applicable laws to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal.

#### 5. ANTI-BRIBERY AND ANTI-CORRUPTION

Business Associates shall consider and comply with national and international anti-bribery and anti-corruption laws such as the UK Bribery Act ('UKBA') and the Foreign Corrupt Practices Act ("FCPA").

Business Associates shall never, directly or indirectly, offer, promise, give or demand anything of value **for improper reasons** of obtaining business or **for any improper advantage**. They shall avoid any actions that might lead to the perception of improperly influencing someone's business or being improperly influenced by third parties due to any kind of advantage granted.

Business Associates undertake to appropriately train their employees on these requirements.



## 5.1 Gifts and hospitality

While it is recognized that limited corporate hospitality is given and received as part of building normal business relationships, gifts and invitations to meals or other comparable amenities should not be offered to individuals, group of individuals and/or entities or accepted by individuals and/or entities, if their value, scope and timing may appear to influence Kia EU's and the Business Associates' business decisions. This may for example be the case if the impression arises that a consideration is expected from the respective individuals and/or entities.

The offering and accepting of a benefit must therefore always be within the boundaries of business appropriateness. The overall number of gifts and invitations offered to or accepted by one party always has to be reasonable.

In this connection, Business Associates have to consider the following rules:

- Cash or its equivalents may never be offered, granted, demanded or accepted.
- Interactions with foreign or domestic public officials must be handled with specific care. Benefits to public officials are strictly prohibited.
- In addition, the following benefits are strictly prohibited:
  - Benefits specifically requested by another party;
  - Benefits of solely private nature;
  - Extravagant benefits that do not correspond to customary business practice; and
  - Benefits (in the context of entertainment) with offensive or leisure content.

## 5.2 Donations and sponsoring

We further expect that Business Associates do not use donations and sponsoring towards its customers to improperly influence or reward past, present or potential future use or support of Kia's products, in particular of the sponsoring recipient. Influence that results from the marketing activity itself, conducted within the sponsoring, is generally not considered to be improper.

## **6. TRANSPARENCY**

### **6.1 Avoidance of conflicts of interest**

We expect that Business Associates follow solely objective business criteria, leaving out any private interests when making decisions connected to Kia EU business. They should further avoid the mere appearance of such a conflict of interest. This is essential as conflicts of interest create risks for the reputation of both, the Business Associate and Kia EU.

Therefore, Business Associates will not - without proper disclosure and prior approval by Kia EU - offer personal services, payments or loans to Kia EU employees. Business Associates will not knowingly allow a Kia EU employee (or family member) to work for the Business Associate in a capacity that could influence the Kia EU employee's decisions when acting for Kia EU.

Business Associates shall inform their point of contact at Kia EU in case of any potential conflicts of interest and refrain from participating in further business discussion/decision before a decision on the conflicts of interest is made.

### **6.2 Insider information**

Business Associates shall treat insider information as confidential. In the course of their work for Kia EU, Business Associates may become aware of non-public information about Kia. We expect that Business Associates use such information only for the purpose for which it was provided. In particular, they shall not use insider information for private purposes and shall not share it with anyone without prior written authorization by any authorized representative of Kia EU. Furthermore, we expect that our Business Associates ensure that their employees do not take advantage of or pass such information to others. These restrictions also apply to their family and friends.

### **6.3 Integrity of books and records**

Kia EU is committed to striving for accuracy, transparency and fairness in all its records and reports. Business Associates shall therefore maintain in a timely manner complete and accurate (financial and/or accounting) records and reports

of any transactions with relation to their performance of the contractual relationship with Kia EU.

We expect that business records of Business Associates are retained in accordance with all applicable laws and regulations and record retention policies.

#### **6.4 Discounts**

Business Associates shall further follow the agreed process on standard and non-standard discounts if any.

### **7. BUSINESS CONDUCT**

#### **7.1 Fair Competition**

Kia EU supports the principle of free enterprise and fair competition as a basis for conducting its business. Business Associates are required to perform their business in a manner consistent with all applicable international and national competition laws and standards.

We expect that the Business Associates we work with compete ethically and fairly for their business opportunities. Anti-competitive contacts with Kia EU, other Business Associates of Kia EU or representatives of other companies, including competitors, are strictly forbidden. Business Associates shall in particular not engage in anti-competitive agreements or concerted practices such as price fixing, output restrictions, sales conditions, bid rigging, allocations of markets, or exchange of competitively sensitive information.

Making misleading statements about Kia's or the Business Associates' products or services is prohibited. It is also prohibited to use Kia's or another company's trademarks in a way that confuses the customer as to the characteristics and source of the products or services or other deceptive measures/actions. Business Associates shall ensure that its employees only make Kia-related statements, communications and representations to customers that are accurate and truthful

#### **7.2 Anti-money-laundering**

We expect that Business Associates take appropriate measures to prevent money laundering and special care when any questionable financial transactions are

requested by other Business Associates or employees of Kia EU or themselves. Business Associates shall not tolerate or participate in any misuse of Kia EU or their company for illegal activities.

### **7.3 Sanctions and export controls**

Business Associates involved in selling or distributing Kia's products and services whether domestically or internationally, shall know and comply with all import and export controls, sanctions and other trade compliance laws and regulations.

Business Associate confirms that it is not listed in sanctions or embargo lists, nor its ultimate beneficial owners, and shall inform Kia EU in case of export restrictions or economic sanctions.

### **7.4 Product Compliance**

Kia strives towards the highest quality and aims for constant improvement of products. We expect that Business Associates comply with all applicable legal product compliance and safety regulations and requirements.

## **8. PROTECTION OF COMPANY ASSETS, RESOURCES AND DATA**

### **8.1 Company assets**

Business Associates have a responsibility to safeguard property and other assets owned or leased directly or indirectly by Kia EU. This includes Kia EU's properties, assets, financial data, trade secrets, trademarks, databases, business manuals and other intellectual property.

Kia EU's assets and resources as well as corporate opportunities may not be used beyond what is contractually agreed upon, without prior written approval by Kia EU. Contrary actions may result in termination of agreement, but also civil proceedings and criminal prosecution.

### **8.2 Confidential information**

Data, information and documents pertaining to Kia EU are considered company assets and are to be used strictly for the performance of our respective duties.

They shall be protected against loss of availability, infringement or improper disclosure.

Business Associates shall not make use of confidential information. They shall in particular not inform any unauthorized person, including family and friends. In case of any conflict with a non-disclosure agreement ("NDA") signed for confidentiality obligations, the NDA shall prevail.

### **8.3 Data protection**

Business Associates will comply with all applicable privacy and data security laws and regulations and will be responsible and transparent in their use of data. This includes employee, customer, and supplier data.

Business Associates shall take the necessary steps to comply with these requirements in accordance with the state of the art. This includes acting in compliance with applicable data protection laws and agreements, and processing data only for specified, explicit and legitimate purposes in a fair and lawful manner.

## **9. WHISTLEBLOWING AND REPORTING**

### **9.1 Implementation of whistleblowing system**

Kia EU encourages its employees and Business Associates to report any activity that may indicate a violation of applicable laws or this BPS CoC or that is inconsistent with ethical business practices. This includes indirect Suppliers and their employees and those otherwise directly affected by economic activities along the supply chain.

Kia EU's grievance mechanism **Kia Compliance: Tell Me**, accessible via <https://kia.speakup.report/Kiaexternal>, is open for everybody including employees along the supply chain and persons affected by the business activities of Kia EU and its Business Associates.

Kia EU expects its Business Associates to join such efforts. Business Associates shall establish their own grievance mechanism and investigate any grievance and

take necessary action, if required. Business Associates should prohibit retaliation against anyone who reports a violation in good faith.

## **9.2 Reporting obligations**

Business Associates are required to inform Kia EU of any violations of this BPS CoC, legal proceedings, government investigations or criminal proceedings that may affect Kia EU's business or negatively impact the reputation of the Business Associates and Kia EU.

## **10. MANAGEMENT PROCESSES**

Business Associates shall implement the following management processes (if reasonable and appropriate):

### **10.1 Compliance and management responsibility**

The management of the Business Associates should be accountable for compliance. This comprises compliance with applicable laws and regulations as well as this BPS CoC. Business Associates shall develop and monitor policies for the ethical conduct of business within their organization to a reasonable extent.

### **10.2 Risk-related processes and management system**

Business Associates shall use reasonable efforts to implement appropriate processes to prevent, mitigate and end risks and violations outlined in this BPS CoC (such as supply chain due diligence). This may comprise conducting risk assessments and implementing risk management systems.

### **10.3 Inform employees about reporting channels**

Business Associates shall inform their employees and their suppliers about available reporting channels opened by Kia EU and the Business Associates.

### **10.4 Passing-on of requirements contained in BPS CoC**

Business Associates undertake to cascade the requirements of this BPS CoC down to their own suppliers and require them to cascade down to their supply chain.

## **10.5 Cooperation on remedial actions**

The Business Associate will take immediate action to remedy (imminent) violations. The Business Associates will - upon Kia EU's request - cooperate with Kia EU in investigating and remedying (imminent) violations of the BPS CoC or applicable laws.

Kia EU is entitled to set a reasonable grace period for the Business Associate to bring its conduct into compliance with these regulations.

If the violation cannot be ended in the foreseeable future, the Business Associate shall immediately notify Kia EU and develop a concept with a time schedule for ending or minimizing the violation. If appropriate, Kia EU shall provide reasonable assistance to the Business Associate in implementing the plan to the extent permitted by law.

In the event of a serious violation of law, Kia EU reserves the right to suspend business relations with the Business Associate until the violation has been ended. In the event of a temporary suspension of business relations, the parties shall not be obliged to perform their contractual obligations. Any rights of termination (cf. 11.1 below) remains unaffected.

## **11. RIGHTS OF KIA EU**

### **11.1 Termination rights**

Kia reserves the right to - entirely - terminate the relationship with a Business Associate that does not comply with this BPS CoC. The details on this termination right are outlined in the respective contract(s) with the respective Business Associate.

### **11.2 Audit rights**

Kia EU shall be entitled to audit compliance with the laws and this BPS CoC to the extent relevant to and in line with the contractual agreement. Audits shall be reasonable as to scope, place, date and time and - for good cause (such as sufficient factual indications of violations of this BPS CoC) - also on several occasions. Audits can be made upon prior notice and during normal business

hours at the Business Associate's premises or via written assessments. Audits can also be conducted by external experts, in writing or on site, in accordance with the applicable legal provisions. Each inspection shall take into account the legitimate confidentiality interests of the Business Associate and - to the extent possible - not interfere with business processes.

Further details on this audit right, if applicable, are outlined in the respective contract(s) with the respective Business Associate.

### **11.3 Claims for damages**

The right to assert claims for damages by Kia EU remains unaffected.

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