

Code of Conduct for Suppliers of the BSH Group

BSH is committed to socially and ecologically responsible corporate action. We respect international human rights as a central element of our corporate governance and stand for integrity and a sense of responsibility. This is also evidenced by our membership of the UN Global Compact and other initiatives. We expect the same behavior from all our Suppliers. We also strive to continuously optimize our actions and products in terms of sustainability. In doing so, we rely on the equally responsible cooperation of our Suppliers. A common understanding of ethical and sustainable behaviour is therefore the basis for the cooperation with our Suppliers.

The social and environmental standards and processes contained in this Code of Conduct are based on the ten principles of the UN Global Compact, the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

The requirements and principles set out are an essential part of the contractual obligations and cooperation with our Suppliers. Therefore, the supplier assures to comply with and promote the following principles and to train its employees regularly and appropriately on the contents.

1. Principle of legality

The Supplier undertakes to comply with all applicable laws and regulations.

2. Social responsibility

Human rights

The Supplier respects, protects and actively promotes internationally recognized human rights and ensures that these are not violated along the supply chain. This is based in particular on the UN Guiding Principles on Business and Human Rights.

Ban on child labour

The Supplier respects and protects the dignity and rights of children. The Supplier undertakes to employ only persons who have reached the minimum age required to perform work in accordance with the applicable national legislation and not to tolerate child labour. The ILO Conventions No. 138 on the Minimum Age for Admission to Employment and No. 182 on the Elimination of the Worst Forms of Child Labour shall be complied with.

Ban on forced labour

The Supplier undertakes to exclude any kind of forced or compulsory labour as well as any form of slavery. All work must be voluntary and without threat of punishment (see ILO convention No. 29). The Supplier thus must avoid any form of labour based on physical, psychological, sexual or verbal violence and / or abuse or economic exploitation (see ILO indicators of forced labour).

Use of private or public security forces

The hiring or use of security forces is to be refrained from if, due to a lack of instruction or control on the part of the Supplier, there is a risk of torture and cruel, inhuman or degrading treatment, injury to life or limb or impairment of the freedom of association and union.

Occupational safety and health

The Supplier shall provide a safe and health-promoting working environment to prevent accidents and injuries and, where appropriate, provide safe and health-promoting living accommodations. The minimum standard here is the applicable local laws. An occupational safety and health management system in accordance with ISO 45001 or a system suitable for the relevant industry shall be established and applied. Employees shall be provided with appropriate training.

Freedom of association

The Supplier shall respect the fundamental right of employees to form trade unions and to join them in their own free decision. Membership in trade unions or workers' representations shall not constitute a reason for unjustified unequal treatment. The right to collective bargaining for the regulation of working conditions and the right to strike shall be granted within the framework of the legal regulations and in accordance with ILO Conventions No. 87 and No. 98.

Ban on discrimination

The Supplier undertakes not to tolerate any discrimination, for example on the basis of skin colour, ethnic origin, gender, age, nationality, social origin, disability, sexual orientation, religious affiliation, world view, political opinion and trade union activity. In the case of comparable requirements and tasks, the principle of equal pay for work of equal value without regard to sex must apply (ILO Convention No. 100).

Remuneration and working hours

Remuneration for regular working hours and overtime must be at least equal to the minimum wage established under the applicable law.

The Supplier undertakes to observe legal regulations on working hours and breaks as well as holidays.

Protection from eviction and land deprivation

The Supplier undertakes to refrain from unlawful evictions as well as the unlawful deprivation of land, forests or waters, the use of which secures the livelihood of a person.

Dealing with conflict minerals

The Supplier undertakes to comply with the respective applicable laws and regulations on conflict minerals. The Supplier shall exercise particular care with regard to the origin of its materials.

3. Ecological responsibility

Environmental protection

The Supplier is obliged to comply with the regulations and standards on environmental protection that affect its operations. Environmental pollution shall be minimized, environmental protection shall be continuously improved and resources shall be used sparingly. An environmental management system in accordance with ISO 14001 or an environmental management system suitable for the relevant industry shall be established and applied.

Preservation of the natural foundations of life

The Supplier undertakes to protect the natural basis of life as much as possible; in particular, to avoid harmful soil changes, water and air pollution, noise emissions and excessive water consumption. Particularly in areas of water scarcity, water abstraction shall be minimized and access to drinking water and sanitary facilities shall be provided. Wastewater quality standards must be defined and monitored within the framework of applicable legal and regulatory requirements.

Climate protection

The Supplier undertakes to actively and sustainably protect the climate, for example by increasing energy efficiency, generating or purchasing energy from renewable sources and taking other measures to reduce CO₂ emissions.

Ban on substances of concern

The Supplier is obliged to comply with the statutory ingredient prohibitions, restrictions and declaration regulations and applicable standards on the prohibition and declaration of ingredients. In particular, the ban on the production of mercury-added products, the use of mercury and mercury compounds in manufacturing processes and the treatment of mercury waste in accordance with the Minamata Convention as well as the ban on the production and use of certain chemicals in accordance with the Stockholm Convention on Persistent Organic Pollutants (POPs Convention) shall be observed.

Environmentally sound waste handling

The Supplier shall observe the prohibition of non-environmentally sound handling, collection, storage, disposal of wastes in accordance with the regulations in force in the applicable jurisdiction under the requirements of Article 6(1)(d)(i), (ii) of the POPs Convention and the prohibition of export of hazardous wastes under the Basel Convention.

4. Ethical business conduct

Corruption and bribery

The Supplier shall ensure compliance with the respective applicable anti-corruption laws. Any form of corruption or bribery, whether active or passive, shall be refrained from.

Money laundering

The Supplier shall observe the relevant statutory provisions on money laundering prevention and comply with its reporting obligations.

Fair competition

The Supplier is obliged to behave in a fair manner in competition and to comply with the respective applicable competition law regulations.

In particular, abuse of a dominant position as well as agreements or concerted practices with other companies which have the purpose or effect of preventing, restricting or distorting competition in accordance with the applicable antitrust regulations will not be tolerated.

Customs and export control regulations

The Supplier shall comply with international customs and export control regulations and ensure the proactive exchange of information relevant to foreign trade with the aim of a secure supply chain.

Data protection and data security

The Supplier is committed to ensuring the right to informational self-determination, the protection of personal data and the security of all business information and personal data in all business processes in compliance with legal requirements and applicable data protection and information security laws.

5. Supply chain and implementation

Supply chain

In order to comply with the principles of this Code of Conduct as far as possible along the entire supply chain, the Supplier undertakes to commit its suppliers, whom it uses to fulfil its performance obligations, to the principles of this Code of Conduct to the best of its ability and to encourage them to pass on the principles to their suppliers.

Controls

BSH is entitled to verify compliance with the obligations arising from this Code of Conduct in an appropriate manner. The Supplier shall actively support BSH in the verification process, in particular by responding to BSH's enquiries in a timely and adequate manner and by facilitating any on-site inspections.

Remedial action

Violations in the Supplier's own business or in its supply chain, in particular violations of human rights-related or environmental obligations, must be stopped immediately. If this is not possible in the foreseeable future, the Supplier shall immediately draw up and implement a concept to end or minimize the violations. The concept must contain a concrete timetable and must be submitted to BSH.

Furthermore, in the event of a suspicion, the Supplier shall immediately clarify possible violations and inform BSH of the clarification measures taken and their results.

Consequences of infringements

An infringement of the obligations described in this Code of Conduct constitutes a breach of contract vis-à-vis BSH and a material impairment of the business relationship between BSH and the Supplier. The Supplier shall initiate suitable improvement measures within a reasonable period of time in order to prevent future violations and inform BSH of the measures initiated. If the Supplier fails to comply with these obligations or if a breach is so serious that a continuation of the business relationship becomes unreasonable for BSH, BSH reserves the right, without prejudice to further rights, to terminate the contractual relationship concerned without notice or to withdraw from the contract concerned.

6. Notification of infringements

Any supplier, its employees or affected parties are called upon to report possible infringements of this Code of Conduct to BSH. Reports can be submitted via the BSH lawyer of confidence (see below) or via the [BSH whistleblower system](#), which also allows anonymous reports. The Supplier must inform its employees of the possibility of making a report.

BSH lawyer of confidence:

Dr. Karl Sidhu, LL.M. (SvS RECHTSANWÄLTE)

Address: Widenmayerstr. 36, 80538 Munich, Germany

E-mail: sidhu@svs-legal.de

Homepage: www.svs-legal.de

Phone: +49 (0)89 244 133 4 60

Fax: +49 (0)89 244 133 4 68

You can find more information on this topic on our website at: <https://www.bsh-group.com/about-bsh/compliance-commitments>.