



# **Code of Conduct**

## **for Suppliers & Business Partners**

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Version 1.0

## Foreword

BHS Corrugated Maschinen- und Anlagenbau GmbH (BHS Corrugated) is the world's leading producer and lifecycle service provider of machines for the production of corrugated board. Corrugators are complex systems that can take dimensions of over two hundred meters in total length. These produce fluted and cut single faced or rather simplex, duplex or triplex corrugated board from smooth paper webs.

As a lifecycle company in the digital age, we value long-term business models that allow us to provide our customers with sustainable solutions that encompass the entire lifecycle for their businesses. We represent the position to be a family-run company grown out of history, which acts accordingly corporate responsible. Therefore, we are committed to the content listed in this Code of Conduct (CoC).



**Christian Engel & Lars Engel**  
Executive Board



## Scope of Application

The current version of the Code of Conduct applies to all suppliers and business partners of BHS Corrugated.

In accordance with our pursued corporate responsibility strategy, we expect our suppliers, service providers and other interested parties and their employees to act responsibly and to comply with the principles outlined in this Code of Conduct. If the suppliers and business partners commission third parties in their business dealings with BHS Corrugated, these third parties also have to commit themselves to the principles of this Code of Conduct. These principles reflect the minimum requirements that we expect from our suppliers and business partners. An open, honest and ethical behavior is taken for granted.

## **1. Corporate Responsibility**

Corporate responsibility is the obligation to comply with all applicable (national and international) laws and regulatory requirements. It is necessary to apply those regulations which impose the strictest requirements. BHS Corrugated expects its suppliers and business partners to especially comply with the following basic principles:

### **1.1 Human Rights**

BHS Corrugated's suppliers and business partners respect and protect the worldwide applicable regulations for the protection of human rights as fundamental and universal requirements. This also includes, in particular, that BHS Corrugated's suppliers and business partners refrain from forced or child labour.

### **1.2 Non-Discrimination**

BHS Corrugated, as well as its suppliers and business partners, commit themselves to refrain any discrimination in the employment and occupation. In particular, every distinction, exclusion preference made on the basis of ethnic, national or social origin, skin color, gender, religion, belief, age, disability, sexual orientation, or political attitudes is prohibited.

### **1.3 Freedom of Association**

BHS Corrugated's suppliers and business partners respect the freedom of association and the right to form interest groups. They give their employees the right to defend their interests on the basis of national legislation.

### **1.4 Product Safety**

BHS Corrugated's suppliers and business partners adhere to all applicable product safety regulations and requirements, in particular the legal requirements regarding the safety, labeling and packaging of products as well as the use of hazardous substances and materials.

### **1.5 Minimum Wage and Working Hours**

BHS Corrugated's suppliers and business partners ensure an appropriate remuneration of their employees, which corresponds at least to the legally valid and guaranteed minimum. If statutory or collective agreement provisions do not exist, then the remuneration is based on industry-specific and collective agreements common to the respective location that ensure a decent standard of living for employees and their families. The working hours correspond at least to the respective national legal requirements.



### **1.6 Work Safety and Health Protection**

BHS Corrugated's suppliers and business partners adhere to the applicable statutory requirements for occupational safety and health. They help to improve working conditions as well as, ensure a safe, healthy and hygienic work environment. In order to identify, assess and avoid potential health and safety hazards, the suppliers and business partners take appropriate and demonstrable measures and / or run appropriate systems. They must ensure that employees are regularly trained and informed of applicable health and safety regulations and safety measures.

## **2. Environmental Responsibility**

### **2.1 Legal Requirements**

BHS Corrugated's suppliers and business partners take responsibility for environmental protection issues and comply with all legal requirements.

### **2.2 Climate Protection**

BHS Corrugated's suppliers and business partners use natural resources rationally and avoid environmental pollution in their production processes. They contribute to the reduction of CO<sub>2</sub>-emissions.

## **3. Business Relations**

BHS Corrugated expects openness, transparency and trust from its suppliers and business partners as well as compliance with the following basic principles:

### **3.1 Prohibition of Corruption**

BHS Corrugated's suppliers and business partners do not accept corruption. They ensure compliance with applicable anti-corruption laws. In particular, they ensure that their employees, subcontractors or representatives do not grant, offer or accept bribes, improper donations, payments or benefits to clients, public officials or other third parties.

### **3.2 Gifts, Hospitality, and Invitations**

BHS Corrugated's suppliers and business partners do not offer employees of BHS Corrugated or third parties any inappropriate benefits either directly or indirectly in form of gifts, entertainment or invitations to inadmissibly influence them. Neither do they ask for, nor accept such benefits.



### **3.3 Consultants and Agents**

BHS Corrugated's suppliers and business partners use consultants only in accordance with applicable laws. They especially pay attention that the remuneration paid to consultants is only for actually provided consulting and intermediary services.

## **4. Market Conduct**

BHS Corrugated is a fair market participant and adheres to contractual obligations. BHS Corrugated especially expects its suppliers and business partners to comply with the following basic principles as well:

### **4.1 Free Competition**

BHS Corrugated's suppliers and business partners compete fairly and comply with applicable legal regulations that protect free competition. In particular, they do not make agreements or concerted practices with other companies aimed at or resulting in the prevention, restriction or distortion of competition in accordance with the applicable antitrust regulations and they do not abuse any market-dominating position in an unlawful manner.

### **4.2 Export Control**

BHS Corrugated's suppliers and business partners ensure compliance with all applicable laws for the import and export of goods, services and information.

### **4.3 Money Laundering**

BHS Corrugated's suppliers and business partners maintain business relationships with such business partners whose integrity they are convinced of. They ensure that the applicable legal regulations on money laundering prevention are not violated.

## 5. Data Protection & Data Security

### 5.1 Adherence to Data Protection Regulations

BHS Corrugated's suppliers and business partners observe all applicable laws for the protection of personal data of employees, customers, suppliers and third parties.

### 5.2 Protection of Trade and Business Secrets

BHS Corrugated's suppliers and business partners respect the know-how, patents, trade and business secrets of BHS Corrugated and third parties. They do not disclose such (confidential) information to third parties without the prior express written consent of BHS Corrugated or in any other inadmissible way and will not use it for any other purpose beyond the direct cooperation with BHS Corrugated.

## 6. Monitoring the Code of Conduct

BHS Corrugated reserves the right to send experts to inspect the business premises of its suppliers and business partners for compliance with the principles/requirements listed above on a case-by-case basis. Advance warning will be given of such inspection, which will take place during normal business hours in the presence of representatives of the business partner, and in adherence to applicable law.

With regard to the responsibilities, the following aspects have to be mentioned:

- All suppliers and business partners of BHS Corrugated are responsible for their own compliance with the Code of Conduct.
- It is the responsibility of BHS Corrugated's purchasing organization (GKS GmbH - Gesellschaft für Kooperation und Service) to demand compliance with this Code of Conduct from our suppliers.

## 7. Consequences of Violations

If violations of this Code of Conduct are detected, the supplier / business partner is obliged to inform BHS Corrugated thereof and to take appropriate countermeasures. In order to cease the violation a reasonable period of time will be provided to the supplier / business partner.

If the supplier or business partner fails to comply with the rules laid down in this Code of Conduct, BHS Corrugated is entitled to terminate the business relationship for cause without observing a notice period, depending on the severity of the violation and the individual case. It is within the discretion of BHS Corrugated, to waive such consequences and to take alternative measures instead, as long as the supplier or business partner can demonstrate that they have immediately taken countermeasures to prevent future violations.

Compliance with this Code of Conduct may not be circumvented by additional agreements. Additional agreements are considered, as for example, contractual agreements or measures which would be comparable.

## 8. Complaints Procedure

Complaints or indications of violations of this Code of Conduct can be reported to our general compliance point of contact: [compliance@bhs-corrugated.de](mailto:compliance@bhs-corrugated.de) or our external ombudsman Dr. Thomas Altenbach (E-Mail: [ombudsmann-bhs-corrugated@actlegal-act.com](mailto:ombudsmann-bhs-corrugated@actlegal-act.com), Tel: +49 69 24 70 97 - 35).

At the request of the reporting person, their identity will be treated confidentially and anonymously. The complaints procedure may not be used to deliberately communicate false, untrue indications and information.

### Knowledge and Consent

By signing this document, the supplier / business partner undertakes to act responsibly and to adhere to the listed principles / requirements. The supplier / business partner confirms to communicate this Code of Conduct to employees, agents, subcontractors and suppliers and to assure that all necessary arrangements will be properly implemented.

Place, Date \_\_\_\_\_  
Company \_\_\_\_\_  
Signature \_\_\_\_\_