

BHS Group Corporate Social Responsibility (CSR) Program

This code of conduct is binding for all BHS Group employees. It defines the valid and basic ethical behavior standards and describes what behavior is expected of you. However, it does not describe every single law and internal guideline.

- Compliance with all applicable local, national and international laws and regulations is a matter of course for us. Only then is it possible to guarantee the worldwide success of our business. Any violation of applicable laws or regulations can have serious consequences, including criminal prosecution and financial or reputational damage.
- All managers are required to know the basic laws, regulations and internal company rules relevant to their area of responsibility. Comprehensive knowledge is particularly important for managers who, due to their function, bear special responsibility for ensuring compliance (for example, the Managing Director and managers in the Finance, HR and Risk Management divisions).
- Stricter regulations than those described in this code of conduct may exist in individual countries, business areas or markets in relation to business partners. In such cases, the stricter provisions shall apply.
- If there are any doubts as to the legal adequacy of a decision, a company legal expert must be consulted. Please ensure that you understand the standards in this code of conduct as well as the relevant local laws and internal guidelines and that you always act accordingly and participate in all necessary training measures. It is the responsibility of supervisors to support their staff.

Our values

Success and quality require clear values to which everyone adheres. We embody these values day after day.

- We survey the markets with our **professional competence**. We know our goals. We strive to achieve these goals in our daily activities in order to fulfill the needs of our customers and employees.
- With the help of our constantly expanding **methodological competence**, we set individual goals for each employee.
- We promote **personal competence** and are constantly developing the skills of our employees.
- **Social competence** is important to us. We embody an open feedback culture and treat each other with respect.
- We pursue an integrated approach to **occupational safety and environmental protection**. By means of our integrated management system, we address the causes of possible adverse health and environmental effects and use state-of-the-art technology.

Human rights, labor and social standards

We operate in accordance with internationally recognized human rights, as well as labor and social standards and strictly adhere to the laws applicable to our business.

In particular, BHS-Sonthofen is committed to the abolition of all forms of child and forced labor, the principle of non-discrimination, the recognition of freedom of association and social partnership, fair pay and benefits according to local market conditions, reasonable working hours and paid holidays as well as proportionality in disciplinary and security measures.

BHS-Sonthofen fights for equal opportunity on the labor market and complies with all relevant laws prohibiting discrimination, in particular, on the basis of age, race, color, gender, sexual orientation, identity or expression, origin, religion or disability.

This principle applies to all personnel decisions, such as recruitment, hiring, training, job changes, promotions, remuneration, benefits, disciplinary measures and dismissals.

Sexual and other forms of harassment in the workplace are strictly forbidden. We promote a diverse and inclusive work environment in which all employees treat each other with respect and dignity.

Compliance with human rights, as well as health and environment protection form an essential part of our social responsibility.

- We respect the dignity and individual rights of our employees and third parties with whom we conduct business.
- We oppose forced and child labor and any form of exploitation or discrimination and ensure strict compliance with relevant laws.
- We ensure a healthy and risk-free working environment for our employees by complying with laws and regulations on workplace health and safety.
- Management, in particular, has the task of ensuring that adequate procedures and safeguards are in place to ensure a healthy and safe workplace.

Ensuring fair working conditions is an integral part of our company culture.

Environmental protection, health and safety

Every employee is responsible for the protection of people and the environment at their place of work.

Compliance with all laws for the protection of people and the environment is one of our fundamental principles. This applies both to our products and to our work processes.

Every employee is required to use natural resources responsibly.

Every employee is responsible for working safely at all times and for complying with all applicable laws and regulations, as well as internal company guidelines on environmental protection, health and safety.

All supervisors are required to guide and support their team in fulfilling these individual responsibilities. In the absence of express statutory or internal company regulations on environmental protection, health and safety, you must make your own reasonable decisions and, if necessary, ask your supervisor for advice.

Imports and exports

When purchasing and selling and producing or marketing goods and technology, all employees must comply with trade control laws.

Various national and international trade control laws restrict or prohibit the import and export of goods and services. These restrictions relate not only to the nature of the product, but also to the country of origin or destination and in some cases to the customer (embargo). Similar restrictions can also affect the export of technology and software. Country-specific embargos exist for certain countries. The test is performed once a day.

Protection of company property and the property of business partners/fraud prevention

Handle company property and the property of business partners with care. We deal responsibly with company property and other company assets.

- The responsible handling of company property of all kinds is important to us.
- Company assets must be used exclusively for the intended business purposes.
- All forms of fraud are prohibited, regardless of whether they damage company assets or the assets of third parties (such as breaches of trust, theft, embezzlement, tax evasion and money laundering)
- Our business partners (such as customers, suppliers, representatives and consultants) expect that they can rely on BHS-Sonthofen as a legally compliant business partner. This also requires us to be familiar with our contractual obligations to our business partners.
- We also ensure that our business partners comply with the law in their business practices.
- National and international laws regulate the import, export and domestic trade of goods, technology and services, the handling of particular products, as well as capital and payment transactions. Appropriate measures must be taken to ensure that transactions with third parties do not violate current economic embargoes or trade, import and export control regulations or counter-terrorist financing.

Corruption and bribery

We condemn all forms of corruption and bribery.

- At BHS-Sonthofen, every form of corruption and bribery is forbidden, be it in relation to public officials or business dealings.
- Donations relating to invitations or connected to advertisement campaigns intended to promote business relationships or products or present services are allowed insofar as they are reasonable.
- However, such donations may only be accepted or granted if they serve a legitimate business purpose and are not accepted or granted in return for undue advantages. Donations may not be of an unreasonably high value nor disproportionately exceed the limits of what is customary in a business setting or the normal standard of living of the recipient. Generally speaking, donations to public officials should be avoided.
- Requests for or offers of sponsorship or “donations for charity” should be handled with extreme caution. Careful checks must be undertaken to ensure that such requests are not covert attempts at bribery.

Product safety

We develop and produce safe products and services for our customers.

- We see our customers as partners. Long-term customer relationships are a part of our business success. Our goal, therefore, is to offer our customers safe and flawless high-quality products and services.
- Products and services must not have any defects or dangerous properties that could have negative health effects or damage property.

Data privacy

We comply with the applicable laws and regulations when we collect, store, process or transfer personal data and information.

- When collecting, storing, processing or transferring personal data (such as name, address, telephone number, date of birth, health status) of employees, customers or other third parties, we take the utmost care and follow strict confidentiality as well as applicable laws and rules.
- Employees who handle personal data receive advice and support from the responsible legal departments and company data protection officers.

Information security

We use IT systems developed by our company to perform our tasks and contribute to the protection of these systems and devices against internal and external misuse.

- IT systems are used regularly and data is collected in our day-to-day business. In order to protect intellectual property and personal data, this requires appropriate security measures (passwords, approved technology and licensed software). Failure to follow the necessary security measures can result in serious consequences, such as loss of data or theft of personal data.
- Because digital information can be quickly distributed, is easily copied and is virtually indestructible, we pay close attention to the content of e-mails, attachments, downloaded files and saved voice messages.
- We make it a requirement that the use of IT systems provided by the company is reserved for performing business functions and not for personal purposes that are inappropriate or improper, or for unethical or illegal activities.
- All employees must be aware that all IT resources available at the workplace do not belong to them, but rather are company property.
- All employees are required to take necessary measures to protect IT systems from internal and external misuse and threats (for example, misuse of assigned passwords or downloading inappropriate material from the Internet).