



# Code of Conduct

**for Business Partners**

Issued: 1 December 2021

# Preliminary remark

BAUHAUS is the right partner for your workshop, home and garden anytime and anywhere. Every day, we are committed to making this vision a reality. The basis for this are our values: **Quality, Responsibility** and **Integrity**. The focus of our thoughts and actions is on the wishes and needs of our customers, the quality and sustainability of our products and services, and compliance with ethical values.

Only together with our business partners can we successfully implement these points. In this Code of Conduct, we therefore describe our requirements and expectations of our business partners with regard to respect for human rights, employee health and safety, environmental and climate protection, and ethical business practices.

The values described here are based on the conventions of the International Labour Organisation (ILO) and the principles of the UN Global Compact (UNGC), as well as the 17 global goals for sustainable development of the United Nations Agenda 2030.

Compliance with the requirements of this Code plays an essential role for us at BAUHAUS in the selection of business partners and the continuation of the business relationship with them. We expect our business partners to respect and observe the requirements formulated here along the entire supply chain.

The Code will be further specified and explained in more detail in future guidelines.

# Scope

This Code of Conduct applies to all business partners of all BAUHAUS companies without exception. ([www.bauhaus.info/gesellschaften](http://www.bauhaus.info/gesellschaften)). The suppliers of goods, contractors and service providers of all kinds undertake to comply with this Code of Conduct at all times.

BAUHAUS expects that every business partner ensures that all its employees and the business partners in its supply chain always act in accordance with the requirements of this Code of Conduct.

In addition, BAUHAUS expects all business partners to ensure that they and their partners in the supply chain always comply with all applicable laws, rules and regulations. If the minimum legal standards fall short of the requirements of the Code, all business partners are required to take measures to meet the higher requirements of this Code.

# 1

## Human rights and protection of workers

*(UNGC Principles 1-6, ILO Conventions 29, 87, 98, 100, 105, 111, 138, 182)*

For BAUHAUS, integrity means treating every person fairly and with dignity and respect. Harassment or bullying, insulting actions, threats or punishments of a physical, psychological, verbal or sexual nature have no place in our company.

We expect the same from our business partners. They are committed to upholding internationally recognised human rights and protecting their employees. They take measures to ensure that their partners in the supply chain do not violate human rights or workers' rights.

In accordance with the principles of the UN Global Compact and the ILO Conventions, BAUHAUS focuses on the following aspects in the area of human rights and the protection of employees throughout the entire supply chain:

### **Prohibition of child and forced labour**

The business partner shall ensure that child or forced labour is excluded along its own supply chain and that employees are not subjected to cruel, inhuman or degrading treatment.

### **Occupational health and safety**

The business partner takes measures to ensure that the working environment of the employees is safe and thus to prevent work-related accident and health hazards. This includes compliance with sufficient safety standards in the provision and maintenance of the place of employment, the workplace and the work equipment. The business partner takes protective measures to avoid negative effects caused by chemical, physical or biological substances. In this respect, sufficient training and instruction of the employees takes place. The business partner shall take measures to protect its employees from fatigue. In any case, the business partner complies with and documents the statutory health and safety, working time, rest and holiday regulations.

### **Minimum wage**

The business partner shall pay its employees at least the statutory minimum wage of the country and place of employment concerned and generally a living wage or a wage corresponding to the collective agreement. In doing so, it will take into account the social security benefits in the country concerned.

### **Anti-discrimination**

Any discrimination based on gender, age, religion, belief, health and disability, ethnicity, national and social origin, trade union membership, political affiliation, sexual orientation or marital status is prohibited. Performance and qualifications shall serve as a basis for assessment in recruitment, salary classification, promotion, allocation of tasks and further training. Equal pay for work of equal value is required.

### **Freedom of association**

The business partner shall respect the freedom of association, in particular the right of workers to form and join a trade union in accordance with the law of the place of employment, including the right to strike and the right to collective bargaining. The formation, joining and membership of a trade union shall not be grounds for unjustified discrimination or retaliation.

# 2

## Conservation of natural resources and protection of the environment

*(UNGC Principles 7-9)*

For BAUHAUS, responsibility also means responsibility for protecting the environment, preserving natural resources for future generations and combating climate change. When selecting products, services and Business Partners, BAUHAUS is guided by the criteria of customer needs, quality and sustainability. Business partners in the supply chain play a key role. BAUHAUS expects its business partners and their suppliers to commit to these goals.

The following criteria derived from the United Nations Global Compact are of particular relevance to BAUHAUS:

### **Conservation of natural resources**

The business partner takes measures to prevent harmful impacts on nature or the environment as a result of its actions and within the supply chain. This includes soil degradation and the pollution of water and air. The business partner also works to prevent the over-consumption of water, which deprives people of the natural basis for food preservation and production, denies access to clean drinking water, impedes access to clean sanitation or otherwise harms their health.

### **Protection of forests and waterbodies**

The protection of forests, especially rainforests, and waterbodies is indispensable for climate protection. Therefore, BAUHAUS opposes illegal logging and is committed to protecting areas of valuable biodiversity. BAUHAUS business partners and their suppliers shall not engage in unlawful forced eviction practices or unlawful deprivation of land, forests or waters and shall provide proof of origin of wood products.

### **Reduction of the footprint**

In addition to averting the negative effects of its own actions, BAUHAUS expects its business partners to actively work towards reducing their ecological footprint. This includes, in particular, increasing their own resource efficiency, for example in water and energy consumption, as well as minimising waste production and the use of chemicals. The business partner shall comply with the Minamata Convention on Mercury in the use of mercury and the Stockholm Convention on Persistent Organic Pollutants (POPS) in the use of chemicals.

### **Compliance with environmental legislation**

BAUHAUS business partners and all companies in the supply chain must have all legally required environmental and operating permits and licences. In no way does BAUHAUS accept criminal environmental activities or the reckless use of natural resources.



# 3

## Business ethics and anti-corruption

*(UNGC Principle 10)*

BAUHAUS is clearly committed to free and fair competition and opposes corruption or other illegal or unethical acts. BAUHAUS expects the same from its own business partners. They shall take care to prevent unethical acts in their own business operations and those of their business partners in the supply chain, and to uncover and remedy possible violations without delay.

According to the UN Global Compact, the following aspects in the supply chain are of particular importance for BAUHAUS:

### **Anti-corruption**

The business partner does not practise or tolerate any form of corruption or any other unlawful or unethical form of influence on business partners or public officials. This includes offering and accepting bribes or kickbacks, extortion, money laundering, embezzlement or misappropriation. In addition, the business partner will not accept any tangible or intangible benefits that could be considered a bribe from other business partners or public officials. Gifts given or accepted, hospitality and invitations to entertainment events must not appear objectively suitable to influence the business relationship in an unfair manner, also taking into account their frequency and total weight.

### **Dealing with conflicts of interest**

The business partner shall avoid conflicts of interest that may affect its credibility in the relationship with BAUHAUS or the trust of third parties in BAUHAUS. The business partner will inform BAUHAUS about situations that may potentially lead to a conflict of interest.

### **Fair and free competition**

The business partner respects the applicable antitrust laws, in particular it does not participate in agreements restricting competition and the abuse of its market position and refrains from unfair business practices. It shall comply with the export control regulations applicable to its business activities in each case.

### **Handling confidential and personal information**

The business partner is committed to protecting confidential information. The business partner takes measures to protect trade secrets. The business partner acknowledges and respects the intellectual property rights of BAUHAUS and third parties. The business partner is also committed to the protection of personal information and data economy. Personal data may only be collected, processed, gathered or stored for legitimate business purposes. Such data may only be used in a secure and transparent manner. It shall be adequately protected from access by unauthorised persons and shall be kept or stored only as long as necessary.

# 4

## Implementation and compliance

For BAUHAUS, respectful interaction and open and honest communication are essential elements of integrity. The company management plays an essential role in ensuring that these values are lived in the company. BAUHAUS expects all business partners to ensure that their employees also implement the requirements of this Code of Conduct in accordance with their respective tasks and responsibilities. The following aspects are of primary importance to BAUHAUS:

### **Risk management**

As part of its risk management, the business partner conducts regular risk analyses (including preventive and remedial measures) in accordance with the requirements of the Supply Chain Act. BAUHAUS recommends business partners to participate in suitable certification systems for this purpose.

### **Logging**

The business partner shall ensure that information on its business operations, labour practices, health and safety management and environmental protection measures is recorded accurately in accordance with the requirements of the Act on Corporate Due Diligence in Supply Chains or other similar regulations of the EU or the country in which the Business Partner operates. Upon request, the business partner shall provide BAUHAUS with relevant information in a transparent and unaltered manner and grant access to relevant documents, unless data protection or legitimate interests of third parties conflict with this. BAUHAUS reserves the right to check compliance with the requirements or to have them checked.

### **Dealing with breaches of the Code of Conduct**

If the business partner detects deviations from the requirements of this Code of Conduct in its own business operations or those of a business partner, it shall inform BAUHAUS immediately. At the same time, the business partner will document these deviations, investigate them and verifiably eliminate the causes. In case of violations of the Code, BAUHAUS reserves the right to terminate the cooperation with the business partner or to disregard the business partner in future selections of business partners.

The Legal & Compliance department of BAUHAUS is available as a contact for business partners for questions and suggestions regarding the BAUHAUS Code of Conduct for Business Partners.

**BAUHAUS AG | Legal & Compliance**

Gutenbergstrasse 21 | 68167 Mannheim | Germany

Phone +49 621 3905 8888

[compliance@bauhaus.info](mailto:compliance@bauhaus.info) | [www.bauhaus.info](http://www.bauhaus.info)