

# ACTING FOR RESPONSIBLE SOURCING IN OUR SUPPLY CHAIN

Supplier Code of Conduct



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***BIC***<sup>®</sup>

# TABLE OF CONTENTS

<b>PAGE 3</b>	<b>1. Purpose of the Supplier Code of Conduct</b>
<b>PAGE 4</b>	<b>2. Introduction of Sustainable Procurement at BIC</b>
<b>PAGE 5</b>	<b>3. Our Commitment to Suppliers</b>
<b>PAGE 6-10</b>	<b>4. Our Expectations of Suppliers</b> Business Integrity & Standards Human Rights And Labor Standards Health & Safety Standards Environmental Impact
<b>PAGE 11</b>	<b>5. Raising a concern</b>

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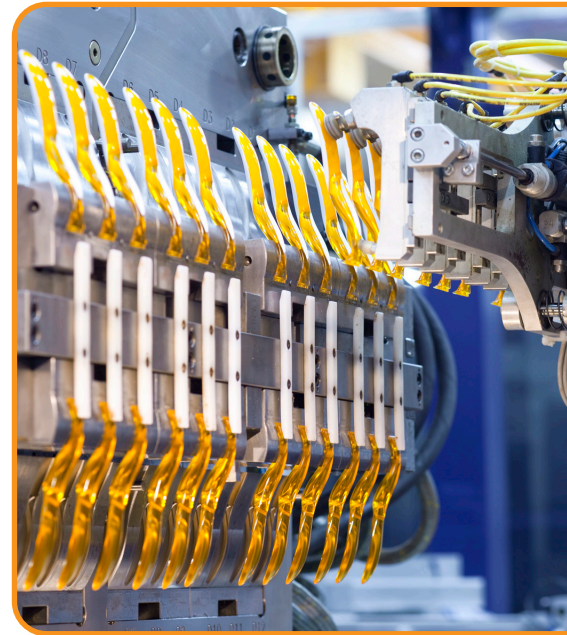
NOTE: This Supplier Code of Conduct supersedes and replaces the BIC Group Code de Conduite BIC / BIC Group Code of Conduct OCT 2004/ Rev #1 SEP 2012. Any reference to the BIC Group Code de Conduite BIC/BIC Code of Conduct in any documentation or contracts with the supplier is intended to refer to this Supplier Code of Conduct.

## 1. PURPOSE OF THE SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct outlines the expectations from our Suppliers and gives guidelines with respect to responsible sourcing including our commitments to human rights, the environment, health and safety, business ethics and the development of a diverse and sustainable supply chain.

All Suppliers and business partners must comply with our Supplier Code of Conduct. We refer to Suppliers as any third party that provides goods or services to BIC for compensation. Sub-contractors of Suppliers are also expected to comply with our Supplier Code of Conduct. All Suppliers and business partners must communicate these expectations throughout their supply chain. All Suppliers must comply with all applicable national, state and local laws/regulations in the markets where they operate; however, where local laws or standards differ from this Supplier Code of Conduct, we expect our Suppliers to comply with the more stringent standards and principles.

In the spirit of continuous improvement, BIC is committed to working with and supporting our Suppliers to meet and exceed the requirements in this Supplier Code of Conduct.



## 2. INTRODUCTION TO SUSTAINABLE PROCUREMENT AT BIC



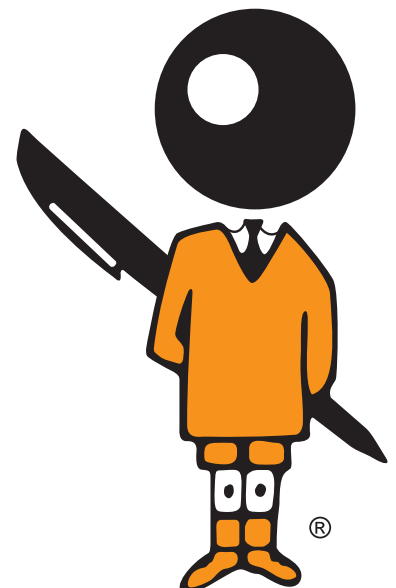
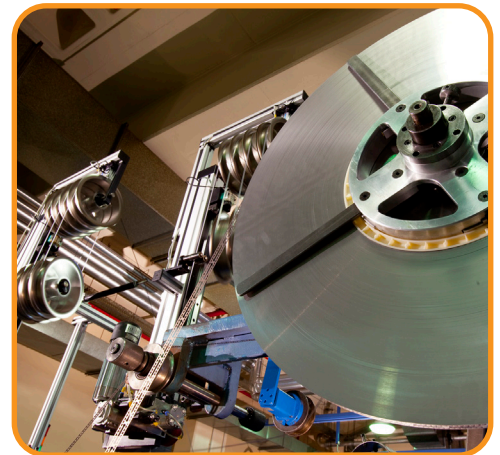
The principles of sustainable procurement are integral to our business strategy:

- Value creation
- Sustainable environmental performance
- Corporate social responsibility

Within BIC we are committed to our 6 core values: **Integrity, Responsibility, Teamwork, Simplicity, Sustainability, and Ingenuity.** These values are not only appropriate but create a strong foundation to underline our approach to sustainable development.

Our approach to sustainable procurement includes how we work with our Suppliers; we integrate sustainable development into our procurement strategy, our day-to-day operations, and relationships with Suppliers.

All BIC entities, its business partners and contract manufacturers are required to identify, prevent, and manage risks pertaining to Health and Safety, social responsibility and environment in their supply chain and we expect the same from our Suppliers.



### 3. OUR COMMITMENT TO SUPPLIERS



BIC seeks to engage in relationships with Suppliers that are socially responsible, behave with integrity and focus on sustainable development. Our goal is to partner with Suppliers to deliver value-for-cost procurement for BIC and our Customers who will demonstrate the same principles to their Suppliers.

BIC has established methodologies to implement strategic procurement strategies and to guide relationships with Suppliers. These guidelines ensure a fair, competitive, and transparent negotiation process, according to our policies and values.

We act with integrity and demonstrate good citizenship in our business dealings – we demand the highest standards of conduct from our own people.

For a complete and detailed review for the way we are working please refer to

**[BIC Code of Conduct](#)**

## 4. OUR EXPECTATIONS OF SUPPLIERS

BIC expects our Suppliers to meet high social, environmental and Health and Safety standards. Suppliers must adhere to the following standards:



### BUSINESS INTEGRITY & STANDARDS

#### Laws, regulations and trade control

We expect our Suppliers to comply with applicable laws, regulations, and industry standards.

Our Suppliers must comply with trade sanctions and similar restrictions issued by recognized authorities, including the United Nations, the European Union and the United States.

#### Competition and anti-trust laws

Suppliers must comply with competition and anti-trust laws in the countries where they operate or sell product. Suppliers must not co-ordinate market conduct with competitors or their own Suppliers in a way that improperly restricts competition.

#### Bribery and Corruption

Suppliers shall comply with all applicable anti-corruption laws and regulations and, to this effect have a zero-tolerance policy towards any form of bribery, corruption, extortion, and embezzlement. Suppliers shall not pay bribes or make any other inducement (including kickbacks, facilitating payments, excessive gifts and hospitality, grants or donations) in relation to their business dealings with customers and public officials. Suppliers are expected to perform all business dealings transparently and these dealings shall be accurately reflected in their business books and records.

As a minimum, we expect our Suppliers to:

- Comply with the Foreign Corrupt Practices Act, the UK Bribery Act and locally applicable laws and regulations.
- Never offer or accept anything of value where there is an intention of improperly influencing a business decision, or where the person may not be permitted by their employer or local law to receive it.
- Disclose to BIC where they or their associates may have connections with government officials and never bribe government officials of any kind.
- Report immediately concerns regarding bribery or corruption to their BIC contact, or confidentially through **BIC Speak Up** (see page 11).

## Conflicts of interest

Our Suppliers should not cause any conflicts of interest for BIC employees, and should avoid situations where a conflict of interest may occur. We expect Suppliers to disclose in full any potential conflicts of interest they may have as soon as they have been identified, so that they can be properly considered, and the right action taken.

## Gifts and entertainment

We expect our Suppliers to respect that BIC employees must not provide or accept excessive or inappropriate entertainment and may only offer or accept non-cash gifts of modest value occasionally. Gifts and entertainment should never create a feeling of obligation or the impression of an obligation because this could be perceived as a bribe. We expect Suppliers to ensure they have appropriate controls in place so that gifts, sponsorship, or entertainment are not bribes or perceived as such especially if the recipient is a government official.

## Business records and confidential information

We expect Suppliers to keep accurate and up-to-date records of matters related to their business with BIC, and to demonstrate compliance with applicable laws and regulations.

We expect our Suppliers to ensure appropriate technical and organizational security measures to safeguard BIC confidential and personal information, and to meet the requirements of applicable data privacy laws and regulations to ensure there is no disclosure of our confidential information to third parties without our prior authorization. We also expect our Suppliers to inform BIC immediately in the event of a potential or actual data breach, or if our information is released to any third party without authorization.

## HUMAN RIGHTS AND LABOR STANDARDS

We want to make a positive contribution to human rights and society. We are committed to promoting and respecting human rights throughout our supply chain and expect the same from our Suppliers. We expect our Suppliers to act in accordance with these principles and commitments, and we have minimum standards in the following areas:

### Child labor

We will not accept the use of child labor in our operations under any circumstances and will not purchase product(s) from any Supplier that uses child labor. Suppliers shall not use child labor i.e. individuals under the age of 15 or below the local legal minimum working age or mandatory schooling age, whichever is the higher. Although BIC strictly prohibits the use of child labor, BIC supports the development of legitimate workplace apprenticeship programs for the educational benefit of younger people.

### Forced labor

Suppliers shall not use work that is performed involuntarily under the threat of penalty, dismissal, or denunciation to authorities or as a disciplinary measure or for failure to meet production quotas. BIC will not support trafficking in human beings or accept the use of forced, compulsory, bonded, indentured or prison labor in its operations under any circumstances and will not purchase product(s) from any Contract Manufacturer or utilize any supply chain partner that supports trafficking in human beings or utilizes forced, compulsory, bonded, indentured or prison labor.

Suppliers must ensure that every employee is a voluntary worker with the freedom to leave the workplace outside of work hours and terminate employment at any time without penalty after notice of reasonable length. Forced prison labor, or work against the will of an employee, including work required as a means of political coercion or punishment for expression of political views is strictly forbidden. No employee shall be subject to any form of harsh or inhumane treatment, corporal punishment, threats of physical or sexual violence, or other forms of psychological or physical harassment, intimidation, abuse, coercion or sanctions that result in wage deductions, reductions in benefits or compulsory labor. No part of an employee's salary, benefits, property, or documents shall be withheld in order to force such personnel to continue working.

### **Freedom of Association and collective bargaining**

Suppliers shall not interfere with employees' freedom of association and collective bargaining that are in accordance with applicable laws and regulations.

### **Non-discrimination**

Employment-related decisions shall be based on relevant and objective criteria. Suppliers shall make no distinctions on grounds including, but not limited to: age, race, religion, color, ethnicity, national origin, disability, sexual orientation, gender, gender identity, gender expression or marital status and any other characteristic of which legal protection is afforded by local law. Employment related decisions include, but are not limited to: hiring, promotion, lay-off and relocation of workers, training and skills development, health and safety, any policy related to working conditions like working hours and remuneration.



### **Abuse and harassment of labor**

Suppliers must strictly prohibit any kind of harassment, intimidation, bullying or abuse of any employee, including through the threat of physical punishment or disciplinary action, or physically, sexually, racially, psychologically, or verbally.

### **Wages and benefits**

Suppliers shall ensure employees are paid a fair wage according to at least the legal minimum standards or appropriate industry standards, whichever is higher.

### **Working hours**

We expect our Suppliers to ensure employees do not work excessive hours, in accordance with national laws, collective agreements and the provisions of the relevant local standards on working time.

### **Land rights**

Suppliers shall respect the land rights of individuals, indigenous people, and local communities. All negotiations about their property or land, including the use of and transfers of it, shall adhere to the principles of free, prior and informed consent, contract transparency and disclosure.

## HEALTH & SAFETY STANDARDS

BIC is committed to maintaining safe and secure working conditions for employees and contract workers. We expect our Suppliers to have the same approach. For our Suppliers, we have minimum standards in the following areas:

### Laws and regulations

Suppliers shall meet applicable local and national health and safety laws and regulations, including those related to the construction and maintenance of facilities for employees and contract workers.

### Health and safety policy

Suppliers shall have a clear, publicly-available health and safety policy statement in place, be committed to developing and applying appropriate health and safety management systems (including clear assignment of management responsibility for health and safety), and to monitor and report corrective actions against incidents (accidents, near misses, etc.).

### Safe working environment

Suppliers will maintain a safe, healthy, clean, and well-lit work environment including appropriate and adequate facilities and protection from hazardous materials or conditions. We expect our Suppliers to maintain the same standards in their factories and operations. If housing is provided for employees, all housing must be maintained in a clean, safe fashion. BIC strictly forbids the use of cruel and unusual disciplinary practices in the workplace.

### Risk assessment

We expect our Suppliers to conduct routine risk assessments, reflecting existing and emerging issues and good practice; to understand health and safety issues both generally and specifically for their sector; and to take appropriate action to mitigate identified risks.

### Continuous improvement

We expect Suppliers to progressively improve health and safety standards to prevent accidents and injuries. Similarly, we encourage the adoption of health and safety management systems that can be externally verified and certified.



## ENVIRONMENTAL IMPACT

BIC is committed to making our brands and business more sustainable by significantly reducing our environmental impact along our entire supply chain and by considering the environmental implications of every major business decision that we make. We also work with our business partners, suppliers, contractors, customers and consumers to reduce impacts along the whole supply chain.

For our Suppliers, we have minimum standards in the following areas:



### **Environmental policy & regulations**

Our Suppliers shall have a clear and publicly available environmental policy statement that addresses the key impacts from their operations and commits to improvement. Suppliers will manage their environmental impact responsibly in line with applicable laws and regulations.

### **Reduce environmental impacts**

Suppliers shall continually strive to reduce their environmental impacts and manage their natural resources efficiently. This includes implementing measures to prevent pollution, minimize the use of energy and production of waste and manage water responsibly.

### **Demonstrating compliance**

BIC is entitled to request information from our Suppliers to confirm their compliance with these standards and, where we consider it necessary, may require a supplier to provide evidence of compliance through a third-party audit. We reserve the right to undertake unannounced audits where we determine it is necessary.

## 5. RAISING A CONCERN

We believe knowing about potential breaches early means we can deal with them quickly and appropriately. We take every report seriously and we will not tolerate any reprisal by a BIC employee against a Supplier who has reported a concern in good faith or assisted us with an investigation.

We expect our Suppliers to raise any concerns about our business conduct, or a potential breach of this Supplier Code or our BIC Code of Conduct, directly with their contact in BIC. If a Supplier prefers, a concern can also be raised through our BIC Speak Up service. BIC Speak Up is a confidential service for employees and third parties (including our Suppliers) that is managed by an external company, independent of BIC, with trained staff able to deal with calls in local languages. BIC Speak Up is available via telephone, email or internet, 24 hours a day, 7 days a week.

Contact details for BIC Speak Up are as follows: [www.BICspeakup.com](http://www.BICspeakup.com)

### Further information and support

For further information please visit our website [www.BICWorld.com](http://www.BICWorld.com) to access copies of our BIC Code of Conduct, policies and our annual Sustainability and Responsibility reporting.



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