

# Vendor Code of Conduct

Baloise Group companies



## Vendor Code of Conduct

### 1. Responsible supply chain

As an insurance and pension company, Baloise is fundamentally sustainable because it contributes daily to the functioning of companies, economies and communities. Our business involves collaborating with vendors and purchasing services and products. Compared with other sectors such as the manufacturing industry, the risks associated with the environmental, social and governance impact of Baloise's supply chain are lower, because it is the vendors who are responsible for purchasing the raw materials required for the services and products we use. Nevertheless, we endeavour to work with our vendors to effectively tackle any problems that arise within the entire supply chain for the services and products we purchase. All direct vendors of Baloise and their subcontractors and third parties, hereinafter collectively referred to as "Vendors", are expected to comply with this Code of Conduct.

### 2. General principles

Baloise and its associated companies (hereinafter collectively referred to as "Baloise") assume and take responsibility as an employer, as a partner to their customers and as a member of society in all of their markets. Baloise thinks and acts with a view to the long term, rigorously safeguarding against future risks with a high degree of professionalism. Baloise maintains open dialogue based on trust with its customers, employees, partners, Vendors and shareholders so that they can create added value together. Baloise is guided in its actions by the statutory provisions that apply in the individual countries, as well as by the [United Nations Sustainable Development Goals \(SDGs\)](#), which have been recognised as the

overarching system of objectives. SDG 12 (Responsible consumption and production) is of particular significance to this Vendor Code of Conduct. In all of its operating segments, Baloise adheres to the principles set out in its own [Code of Conduct](#). As a result, Baloise requires companies that supply Baloise with products or services to adhere to these principles as well.

### 3. Scope of application

This Vendor Code of Conduct applies to all purchases made by the Baloise Group companies and their associated companies. It describes our rules of conduct and expectations regarding dealings with our Vendors and their subcontractors and sets out requirements that apply, and the procedure to be followed, whenever products and services are purchased. Procurement is based on commercial, ethical and ecological principles, as well as on the rules of free competition. Contracts are awarded at fair market prices.

### 4. Procurement policy

Larger purchases are put out to tender pursuant to the valid Baloise procurement directives, with at least two offers being obtained for comparison. We do our best to ensure that each Vendor receives identical documents, such as requirements specifications, other specifications and further information, in writing and during the same time frame.

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### 5. Negotiations

During the negotiation process, any statements involving matters such as an assessment of functions / differences in performance, price comparisons, etc., that could hinder the equal treatment of Vendors are prohibited. In cases involving larger purchases, the negotiations are always conducted by at least two Baloise representatives.

### 6. Communication

Decisions are generally communicated to the Vendors in writing. In cases involving larger procurement projects, Vendors who are unsuccessful are invited to a meeting (held either by telephone or face-to-face) at their request. The reasons as to why the Vendor was unsuccessful are openly disclosed. Confidential information and the conditions offered by a Vendor are not disclosed to third parties as a general rule.

### 7. Payment of Vendor invoices

Invoices are paid by the agreed payment due dates.

### 8. Procurement cooperation initiatives

Joint procurement together with other Group companies of Baloise Holding Ltd, with partners or third-party companies can be used if this serves to improve conditions, quality, processes, etc.

### 9. Conflicts of interest

Vendors disclose any situations that could give rise to conflicts involving potential personal and business interests, for example if these stand in the way of the fulfilment of their duties as part of the business relationship. If such conflicts of interest arise, the responsible line manager within Procurement at Baloise must be informed.

### 10. Gifts and benefits

The acceptance of gifts or non-cash benefits from current, former or potential Vendors or subcontractors is subject to stringent regulations pursuant to the [Baloise Code of Conduct](#) and other internal directives, and must be reported by Baloise employees to their line managers or to Compliance in accordance with the existing regulations. They must not be accepted if this would give Vendors illegal or personal advantages, be it directly or indirectly, allowing them to exert influence over an award decision to be made by Baloise so that it falls in their favour.

### 11. Retention

Business documents made available to Vendors, as well as documents subject to an archiving obligation must be stored in a discreet, careful and orderly fashion and protected against harmful influences in accordance with the legal requirements.

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### 12. Environmental aspects and procurement ethics

Care must be taken to adhere to the fundamental ecological principle of “Avoid, reduce, recycle” in procurement processes. Goods that are particularly environmentally friendly or originate from environmentally certified manufacturers are given priority over others if their product features and conditions are otherwise comparable. Vendors are expected to meet statutory requirements and any valid industry standards/guidelines regarding environmental standards and sustainability in full. In order to guarantee this, certified Vendors or Vendors that can furnish evidence showing that they check standards and guidelines are given priority over others if their product features and conditions are otherwise comparable.

### 13. Ban on child labour

Vendors are obliged to protect children and young people from economic or social exploitation. This provision sets out Art. 32 of the United Nations Convention on the Rights of the Child (UNCRC) and Art. 10 para. 3 sentence 2 of the International Covenant on Economic, Social and Cultural Rights (ICESCR).

### 14. Respect for human rights

Vendors are obliged to respect all applicable human rights legislation, provisions and codes that are in force, including, but not limited to, the [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#). Sellers must conduct due diligence procedures for their own Vendors, subcontractors and other participants in their supply chains (third parties) in order to ensure that there are no breaches of human rights, including,

but not limited to, slavery, child labour or human trafficking, in their supply chains. Vendors must inform Baloise as soon as they become aware of a breach or possible breach of human rights within their companies or supply chains.

### 15. Freedom of association

Vendors must respect their employees’ right of association with regard to working conditions and their right to join trade unions, form works councils and conduct work-related negotiations, including pay-scale negotiations. Sellers must not intimidate or harass employees who exercise this right of association.

### 16. No clandestine employment

Vendors are prohibited from embarking on self-employed or employed activities that violate statutory provisions. The applicable country-specific laws must be adhered to accordingly.

### 17. Health and safety

Vendors are obliged, in accordance with the statutory provisions, to take all required measures that are considered necessary based on experience, that can be applied based on the latest technological standards and that are appropriate given the circumstances prevailing within their company in order to protect the health of their employees.

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### 18. Ban on discrimination

Vendors must ensure that the statutory provisions designed to prevent discrimination in the workplace are adhered to. Within this context, various aspects of discrimination such as gender, origin, religion and disability must be taken into account.

### 19. Reporting procedure in the event of breaches

Vendors are required to report all kinds of incidents, behaviour or other circumstances that constitute a breach of this Vendor Code of Conduct or the Baloise Code of Conduct to their contact person at Baloise. Our whistle-blowing system at <https://baloise.integrityplatform.org> can also be used to report such scenarios if need be. In addition, Vendors must have processes in place allowing for any shortcomings and breaches of the Code to be remedied without delay.

### 20. Use of the Baloise name and brand

Vendors are prohibited from using the Baloise brand in public communications and marketing and/or from naming Baloise as a reference customer. This only ceases to apply if Baloise has agreed to the publication of an exclusive and explicitly agreed document. The company shall use only the logos made available by Baloise.

### 21. Country-specific provisions

#### a. Swiss business unit of Baloise – reciprocated business policy

Baloise Switzerland uses reciprocated business for customer retention, to maintain business relationships and to attract new customers. In cases in which comparable offers are submitted, Baloise customers will be given priority as a general rule.



Baloise Group  
Aeschengraben 21  
4002 Basel  
Switzerland

[www.baloise.com](http://www.baloise.com)