

# BAWAG P.S.K Supplier Code of Conduct

Version August 2024

## 1 General Information

In this Supplier Code of Conduct (“CoC”), BAWAG P.S.K. (“BAWAG”) sets out its requirements (“Requirements”) for suppliers of BAWAG as further detailed out in the Exhibit to this CoC. The CoC applies to all suppliers of BAWAG.

Suppliers ensure that the Requirements are adhered to by their suppliers and business partners insofar as they affect the contractual relationship with BAWAG. Suppliers establish appropriate control mechanisms to ensure their own compliance of this CoC and the compliance of their suppliers. In addition, suppliers observe the principles of non-discrimination when selecting sub-suppliers and while cooperating with sub-suppliers.

The content of this CoC is based, among others, on the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles and Rights at Work as well as Directive (EU) 2024/1760 (“CSDDD”). The relevant conventions and regulatory requirements are referred to in the endnotes.

## 2 Business Conduct

### 2.1 Compliance with Law including § 28 BWG (Austrian Banking Act) – Transactions with the Bank’s affiliated parties

Suppliers must adhere to the local laws of the respective applicable legal systems of the jurisdiction they operate in.

Suppliers of BAWAG further confirm that none of the supplier’s decision makers exercise any of the functions listed in a) to e) within BAWAG:

BAWAG concludes legal transactions directly or indirectly with

- a) members of its Management Board,
- b) members of its Supervisory Board or any other supervisory bodies imposed by law or statutes,
- c) legal representatives and senior staff of companies controlling or controlled by BAWAG,
- d) spouses, partners according to § 72 para 2 of the Criminal Code (StGB), children, adopted and foster children of a person mentioned in a) to c), in respect to c), however, only legal representatives, or
- e) third parties acting on behalf of a person listed in a) to d)

**solely** based on a unanimous decision of all members of its Management Board and with approval of the Supervisory Board.

## 2.2 Anti-Corruption

Suppliers avoid and strictly prohibit any type of corruption, bribery, facilitation payments, coercion, or misappropriation. They adhere to all relevant anti-corruption laws and regulations in fulfilling their obligations and activities in their relationship with BAWAG. Suppliers assess corruption risks and implement effective measures to prevent and combat corruption within their operations.

Suppliers omit all activities which can influence any decisions of authorities and public or government representatives. Cash allowances, gifts or other benefits to public servants are forbidden as far as they exceed the usual framework, even if such activity would seem to support the economic interest situation of BAWAG. Employees of suppliers do not accept any gifts or allowances exceeding EUR 100,-- per year in connection with their job. Invitations outside the usual business cooperation are also covered by this rule. Suppliers avoid as far as possible any conflicts of interest that could influence business relations such as family relationships, business relationship or investments between the supplier and BAWAG. In any case, suppliers disclose potential conflicts of interest to BAWAG<sup>1</sup>.

## 3 Supplier Declaration

1. We have received the CoC and commit ourselves to observe its regulations.
2. We will commit our suppliers and sub-service providers to observe the CoC regulations.
3. In case of breach of the regulations of this CoC we will inform BAWAG.
4. In the event of transactions with the Bank's affiliated parties according to § 28 BWG (Austrian Banking Act), we will inform BAWAG.
5. BAWAG is entitled to verify the observance of the regulations of this CoC. This can take place through submission of a questionnaire, audits or similar instruments by BAWAG or third parties authorised and engaged by BAWAG. In case of a suspected offence to the rules of this CoC (e.g. in mass media reports), we will immediately submit a written statement to BAWAG upon request.
6. In case of breach of the CoC or this declaration, BAWAG is entitled to terminate existing contracts and to cancel orders if such offences are not removed within an adequate term.
7. All eventual disputes arising on the basis and in connection with this CoC and this declaration are governed by Austrian laws excluding UN-purchase rules and other collision norms. All disputes will be settled at such court in 1010 Wien (Austria) which is responsible with respect of the suitable substantive laws.
8. BAWAG processes the personal data disclosed by us during the procurement process. Information about the data protection claims and rights to which we are entitled can be found in the "Information sheet on data protection for business partners (such as suppliers and service providers)", which is available at any time under the following link:

[www.bawag.at/resource/blob/22400/814ee696517583e5b3e220673e1d6ebd/infoblatt-datenschutz-geschaeftpartner-data.pdf](http://www.bawag.at/resource/blob/22400/814ee696517583e5b3e220673e1d6ebd/infoblatt-datenschutz-geschaeftpartner-data.pdf)

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Place, date

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Company

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Legal signature

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Name and Title

# Exhibit BAWAG P.S.K Supplier Code of Conduct

## 1 Environmental Protection

### 1.1 Climate

Suppliers must take proactive steps to minimize their greenhouse gas emissions and enhance energy efficiency in their operations.

### 1.2 Pollution

Suppliers are expected to prevent and minimize pollution across all operations. Suppliers do not manufacture, import and export prohibited mercury-added products, use prohibited mercury or mercury compounds in the manufacturing processes or unlawfully treat mercury waste<sup>2,3</sup>. Suppliers refrain from producing or using prohibited chemicals and refrain from unlawful handling, collection, storage and disposal of waste<sup>4,5</sup>. Suppliers do not import, or export prohibited chemicals and refrain from the unlawful production, consumption, import and export of controlled substances that deplete the ozone layer<sup>6,7</sup>.

### 1.3 Water and Marine Resources

Suppliers ensure the sustainable use and protection of water and marine resources, including avoiding or minimising adverse impacts on wetlands<sup>8</sup>. Suppliers prevent, reduce and control pollution of the marine environment which is caused by dumping and prevent the pollution from ships, including discharge of oil or oily mixtures, noxious liquid substances and sewage into the sea, unlawful pollution by harmful substances carried by sea in packaged form and unlawful pollution by garbage from ships<sup>9,10</sup>.

### 1.4 Biodiversity

Suppliers avoid or minimise adverse impacts on biological diversity and implement practices that support the conservation of biological diversity<sup>11</sup>. When dealing with living modified organisms, suppliers ensure safe handling, transport and use to avoid adverse effects on biodiversity<sup>12</sup>. In case genetic resources are involved suppliers adhere to the applicable regulations<sup>13</sup>. Suppliers respect applicable regulations concerning the trade of endangered species to ensure their survival and refrain from importing, exporting re-exporting or introducing endangered and protected species from the sea<sup>14</sup>. Suppliers avoid or minimise adverse impacts on the properties delineated as natural heritage<sup>15</sup>.

### 1.5 Waste

Suppliers ensure to safely manage and dispose of both hazardous and non-hazardous waste materials and to adhere to all applicable laws and regulations governing the management and disposal of such waste materials. This includes refraining from exporting hazardous or other waste<sup>16,17</sup>.

## **2 Attention to Human and Constitutional Rights, Health & Security of Employees**

### **2.1 Human Rights**

Suppliers have to respect and uphold the values of the International Bill of Human Rights<sup>18</sup> and the ILO Declaration on Fundamental Principles and Rights at Work<sup>19</sup> and recognize international frameworks such as the UN Guiding Principles on Business and Human Rights<sup>20</sup> and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct<sup>21</sup>. Suppliers commit to upholding internationally agreed upon human rights standards and ensure that they do not cause or contribute to human rights violations<sup>22,23,24,25</sup>. Suppliers commit to remedy any adverse impacts they directly caused, or contributed to, by their operations or through business relationships.

### **2.2 Equal Chances/Non-Discrimination**

Suppliers ensure that all forms of discrimination based on, including but not limited to, race, gender, religion, age, sexual orientation, ethnicity, disability, class, political opinion, or union membership are prohibited in hiring and employment practices<sup>26</sup>. Suppliers commit to ensuring an inclusive and diverse workplace.

### **2.3 Child Labour**

Suppliers refrain from employing children under the age of 15 years<sup>27</sup>. If local law specifies a higher minimum age for work, the higher age applies. Suppliers ensure that prohibited child labour does not occur<sup>28</sup>.

### **2.4 Forced Labour**

Suppliers must not use any form of modern slavery or forced, bonded, or indentured labour, including human trafficking<sup>29,30</sup>. All work must be voluntary, and employees should be free to terminate their employment after reasonable notice. Suppliers must not retain employee documentation (e.g. passports or work permits) or restrict movement. Suppliers or third parties must not charge fees, recruitment costs and deductions during recruitment and employment, directly or indirectly.

### **2.5 Adequate Remuneration**

Suppliers must pay their employees at least the minimum wage required by local law. This wage should at least, as far as possible, cover the basic needs of employees and enable a decent standard of living for employees and their families (living wage). Suppliers must ensure equal remuneration for workers of different gender for work of equal value<sup>31</sup>.

### **2.6 Working Hours**

Suppliers adhere to the maximum working and resting hours, maximum consecutive days of work and annual leave legally agreed in the respective jurisdiction. Any hours worked beyond the standard and agreed-upon work week must be voluntary, and suppliers are required to provide all their employees with a rest period of at least 24 consecutive hours every seven days<sup>32,33</sup>.

## **2.7 Freedom of Association & Collective Bargaining**

Suppliers ensure the freedom of association and collective bargaining of all employees, including joining any association of their choosing and communicating openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal<sup>34,35</sup>.

## **2.8 Health and Security**

Suppliers prioritize health and security of employees. Suppliers take appropriate measures to prevent accidents and occupational diseases arising out of, linked with or occurring at the workplace and minimize work-related hazards and risks to the health and security of employees<sup>36,37</sup>.

## **3 Fair Competition and Taxation**

### **3.1 Fair Competition**

Suppliers must conduct their activities in full compliance with all relevant competition laws and regulations. They should avoid engaging in any anti-competitive agreements with competitors, such as price-fixing, bid-rigging, establishing output restrictions or quotas, and dividing markets by allocating customers, suppliers, territories, or lines of commerce. Suppliers are expected to cooperate with competition authorities during investigations, providing timely and complete information as required and using confidentiality waivers where appropriate to facilitate cooperation. Additionally, suppliers should regularly educate their employees on the importance of adhering to competition laws, with special training provided to senior management on competition-related issues<sup>38</sup>.

### **3.2 Taxation**

Suppliers must contribute to public finances in host countries by paying their taxes on time and in full compliance with local tax laws and regulations. Suppliers provide accurate and timely information to tax authorities to ensure proper tax assessments and adhere to fair transfer pricing practices. Effective tax governance and compliance should be key aspects of suppliers' risk management and oversight. Corporate boards should implement strategies to identify and manage financial, regulatory, and reputational risks associated with taxation<sup>39</sup>.

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<sup>1</sup> OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, as referenced in ESRS 1 DR 59, S2-1 DR 19, S3-1 DR 17 Commission Delegated Regulation (EU) 2023/2772 in conjunction with Art. 18 para 1 Regulation (EU) 2020/852

<sup>2</sup> Minamata Convention on Mercury, as referenced in Directive (EU) 2024/1760 Annex Part II

<sup>3</sup> Regulation (EU) 2017(852) on Mercury, as referenced in Directive (EU) 2024/1760 Annex Part II

<sup>4</sup> Stockholm Convention on Persistent Organic Pollutants, as referenced in Directive (EU) 2024/1760 Annex Part II

<sup>5</sup> Regulation (EU) 2017/1021 on Persistent Organic Pollutants, as referenced in Directive (EU) 2024/1760 Annex Part II

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- <sup>6</sup> Rotterdam Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade, as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>7</sup> Montreal Protocol, as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>8</sup> Convention on Wetlands of International Importance (Ramsar Convention), as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>9</sup> United Nations Convention on the Law of the Sea, as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>10</sup> International Convention for the Prevention of Pollution from Ships, as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>11</sup> 1991 Convention on Biological Diversity, as referenced in Directive (EU) 2024/1760 Annex Part II in conjunction with E4-2 AR 14 Commission Delegated Regulation (EU) 2023/2772
- <sup>12</sup> Cartagena Protocol (on the Development, Handling, Transport, Use, Transfer and Release of Living Modified Organisms), as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>13</sup> Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefit Arising from their Utilization, as referenced in Directive (EU) 2024/1760 Annex Part II in conjunction with E4-2 AR 14 Commission Delegated Regulation (EU) 2023/2772
- <sup>14</sup> Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>15</sup> Convention Concerning the Protection of the World Cultural and Natural Heritage, as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>16</sup> Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>17</sup> Regulation (EC) No. 1013/2006 on Shipments of Waste, as referenced in Directive (EU) 2024/1760 Annex Part II
- <sup>18</sup> International Bill of Human Rights, as referenced in Art. 29b para 2 (b) (iii) Directive (EU) 2022/2464 in conjunction with S2-1 AR 14 Commission Delegated Regulation (EU) 2023/2772 and Art. 18 para 1 Regulation (EU) 2020/852
- <sup>19</sup> ILO Declaration on Fundamental Principles and Rights at Work, as referenced in Art. 29b para 2 (b) (iii) Directive (EU) 2022/2464 in conjunction with S2-1 DR 19, S2-1 AR 14 and S3-1 DR 17 Commission Delegated Regulation (EU) 2023/2772 and Art. 18 para 1 Regulation (EU) 2020/852
- <sup>20</sup> UN Guiding Principles on Business and Human Rights, as referenced in S1 DR 59, S2-1 DR 19 and S3-1 DR 17 Commission Delegated Regulation (EU) 2023/2772 in conjunction with Art. 18 para 1 Regulation (EU) 2020/852
- <sup>21</sup> OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, as referenced in S1 DR 59, S2-1 DR 19 and S3-1 DR 17 Commission Delegated Regulation (EU) 2023/2772 in conjunction with Art. 18 para 1 Regulation (EU) 2020/852
- <sup>22</sup> Universal Declaration of Human Rights, as referenced in S2-1 AR 14 Commission Delegated Regulation (EU) 2023/2772
- <sup>23</sup> International Covenant on Civil and Political Rights, as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>24</sup> International Covenant on Economic, Social and Cultural Rights, as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>25</sup> Convention on the Rights of the Child, as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>26</sup> Discrimination (Employment and Occupation) Convention, 1958 (ILO No. 111), as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>27</sup> Minimum Age Convention, 1957 (ILO No. 138), as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>28</sup> Worst Forms of Child Labour Convention, 1999 (ILO No. 182), as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>29</sup> Forced Labour Convention, 1930 (ILO No. 29) and its 2014 Protocol, as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>30</sup> Abolition of Forced Labour Convention, 1957 (ILO No. 105), as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>31</sup> Equal remuneration Convention, 1951 (ILO No. 100), as referenced in Directive (EU) 2024/1760 Annex Part I
- <sup>32</sup> Weekly Rest (Industry) Convention, 1921 (No. 14), as referenced in E4-2 AR 14 Commission Delegated Regulation (EU) 2023/2772
- <sup>33</sup> Weekly Rest (Commerce and Offices) Convention, 1957 (No. 106), as referenced in E4-2 AR 14 Commission Delegated Regulation (EU) 2023/2772
- <sup>34</sup> Freedom of Association and Protection of the Right to Organise Convention, 1948 (ILO No. 87), as referenced in Directive (EU) 2024/1760 Annex Part I

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<sup>35</sup> Right to Organise and Collective Bargaining Convention, 1949 (ILO No. 98), as referenced in Directive (EU) 2024/1760 Annex Part I

<sup>36</sup> Occupational Safety and Health Convention, 1981 (ILO No. 155), as referenced in E4-2 AR 14 Commission Delegated Regulation (EU) 2023/2772

<sup>37</sup> Promotional Framework for Occupational Safety and Health Convention, 2006 (ILO No. 187), as referenced in E4-2 AR 14 Commission Delegated Regulation (EU) 2023/2772

<sup>38</sup> OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, as referenced in ESRS 1 DR 59, S2-1 DR 19, S3-1 DR 17 Commission Delegated Regulation (EU) 2023/2772 in conjunction with Art. 18 para 1 Regulation (EU) 2020/852

<sup>39</sup> OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, as referenced in ESRS 1 DR 59, S2-1 DR 19, S3-1 DR 17 Commission Delegated Regulation (EU) 2023/2772 in conjunction with Art. 18 para 1 Regulation (EU) 2020/852