

# BSI Group Sustainable Sourcing Code

## Introduction

BSI believes in challenging complacency and helping organizations make excellence a habit. We are an independent, non-profit distributing Group, established under Royal Charter. Our responsibility to business and society has been a part of BSI's role since our inception in 1901. We are committed to making a positive impact both through our own actions and by helping others to enable a resilient world.

BSI's Sustainable Sourcing Code (the Code) is not intended to provide an exhaustive list of requirements but, rather, to provide a foundation of principles from which we work and from which we also expect our business partners to work. Our business partners include, but are not limited to, contractors and suppliers. The provisions of this Code constitute minimum, and not maximum, requirements, and this Code should not be used to prevent BSI, or any of our business partners, from exceeding these. Where local laws afford greater protection than the Code then these take precedence.

## Our business partners

We aim to align our requirements with internationally accepted guidelines, to reduce the compliance burden on our business partners. This Code was developed with reference to [BS ISO 26000: Guidance on Social Responsibility](#); [BS ISO 20400: Guidance on Sustainable Procurement](#), the [UN Universal Declaration of Human Rights](#), the [ILO Declaration on Fundamental Principles and Rights at Work](#), the [UN Guiding Principles on Business and Human Rights](#) the [International Labour Organisation \(ILO\) Core Conventions](#), [UN Global Compact](#), the [Ethical Trading Initiative \(ETI\) Base Code](#), as well as the BSI Code of Business Ethics and relevant BSI internal policies.

It is our business partners' responsibility to achieve and maintain the requirements set out in the Code. We expect our business partners to have a process to communicate requirements, at least equivalent to this Code, to their suppliers.

We will work collaboratively with our business partners, guided by our values of integrity, respect and expertise. We will be transparent with our business partners and provide guidance and training, if requested, to help them understand the requirements of this Code.

BSI operates a framework to ensure its own compliance with the Code and is audited, both internally and externally, from time to time. BSI reserves the right to require business partners to provide equivalent assurance that they uphold the requirements of this Code.

It is the contractual duty of the business partner to inform BSI if it breaches the Code in any way. In cases where business partners do not meet the requirements of this Code, BSI expects them to be willing to work systematically to meet the requirements or to reach an alternative solution satisfactory to the Head of Group Sustainability. Violations of the Code and unwillingness to improve will give BSI the right to terminate a contract.

## Queries or concerns

All queries or concerns relating to the Code should be addressed, in the first instance, to your BSI contact or to [sustainability@bsigroup.com](mailto:sustainability@bsigroup.com). A confidential and independent whistleblowing telephone service is also available for employees, business partners and other individuals outside BSI to report anonymously any practices they consider to be in breach of BSI's Sustainable Sourcing Code of Business Ethics. All bona fide reports or complaints of non-compliance or of unlawful behaviour (whether anonymously or attributably) will be investigated appropriately. A business partner's relationship with BSI will not be adversely affected by an honest report of potential misconduct.

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## The principles of the Code

### 1. Legal compliance

- 1.1 BSI conducts its business in full compliance with the laws, rules and regulations of the countries where it operates.

### 2. Organizational governance

- 2.1 BSI has appropriate policies, procedures and management systems (informal or formal) in place to enable us to make and implement decisions, including decisions about sustainability.

### 3. Anti-bribery and corruption

- 3.1 BSI has a zero tolerance approach to bribery and corruption. BSI is committed to conducting itself fairly, honestly and lawfully in all its business dealings and relationships globally. BSI employees, agents and other representatives are prohibited from giving or receiving money or gifts which could be construed as bribes.
- 3.2 BSI is bound by the laws of the UK, including the Bribery Act 2010, which governs our conduct both in the UK and worldwide. BSI is also committed to upholding all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate.

### 4. Anti-trust and fair competition

- 4.1 BSI prohibits practices which seek to increase sales other than through legitimate sales and marketing efforts.

### 5. Information security

- 5.1 BSI seeks to maintain the confidentiality of commercial and personal information in its charge. BSI has established an Information Security Management System (ISMS) framework to protect its information assets. An information asset is any information or information system which is sensitive, confidential or has value to BSI, including third party information processed by BSI.

### 6. Whistleblowing

- 6.1 Employees can be the first people who realise in the event that there may be something wrong within the organization for which they work but sometimes feel inhibited in expressing their concerns. BSI has a Whistleblowing Policy and provides a whistle-blower hotline to raise serious concerns to BSI.

### 7. Human rights, slavery & labour practices

BSI treats its workers with respect, and works to ensure that their basic human rights are protected and promoted, including but not limited to:

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## 7.1 Employment relationships

- 7.1.1 BSI has a process that enables us to ensure that all workers on our premises are documented, and have a right to work legally.
- 7.1.2 BSI ensures that all workers are provided with written and understandable information about their employment conditions, including wages, hours, and holidays, before they enter into employment; and about details of their wages for the pay period concerned each time that they are paid.

## 7.2 Employment is freely chosen

- 7.2.1 All work is conducted on a voluntary basis, and not under threat of any penalty or sanctions.
- 7.2.2 Workers are not required to lodge "deposits" or their identity papers with BSI, labour providers or agencies to obtain work, and are free to leave after reasonable notice.

## 7.3 Modern Slavery

- 7.3.1 BSI has a zero tolerance approach to Modern Slavery. It takes action to prevent slavery, servitude, forced or compulsory labour and human trafficking (modern slavery), a crime and a violation of fundamental human rights within its own business and supply chain, in line with the UK Modern Slavery Act (2015) requirements and guidance, and other country specific legislation.
- 7.3.2 BSI reserves the right to require contractors, suppliers and other business partners to provide assurance that neither they, nor their own suppliers, engage in any form of Modern Slavery.

## 7.4 Freedom of Association and right to collective bargaining is respected

- 7.4.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively, without prior authorisation from management, according to national law.
- 7.4.2 BSI adopts an open attitude towards worker representation and the activities of trade unions.
- 7.4.3 BSI does not discriminate against or otherwise penalise worker representatives and gives worker representatives access to the workplace in order to carry out their representative functions, in accordance with national law and international labour standards.
- 7.4.4 Where the right to freedom of association and collective bargaining is restricted or prohibited under law, BSI does not hinder workers from developing alternative mechanisms to express their grievances and protect their rights regarding working conditions and terms of employment.

## 7.5 Working conditions are safe and hygienic

- 7.5.1 BSI provides a safe and hygienic working environment, bearing in mind the prevailing knowledge of the industry, legal requirements and of any specific hazards. Adequate steps are taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

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- 7.5.2 Workers receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 7.5.3 Access to clean toilet facilities and to potable water and, if appropriate, sanitary facilities for food storage is provided.
- 7.5.4 Accommodation, where provided, is clean, safe, and meets the basic needs of the workers.
- 7.5.5 Responsibility for health and safety shall be assigned to a senior management representative and regular risk assessments must be carried out.
- 7.5.6 Access to adequate medical assistance and facilities must be provided.
- 7.6 Child labour shall not be used
- 7.6.1 There is no recruitment of child labour. BSI implements robust age verification checks as part of the recruitment process.
- 7.6.2 BSI does not employ any person under the age of 15, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention No. 138, the lower will apply.
- 7.6.3 Children and young persons under 18 are not employed at night or in hazardous conditions.
- 7.7 Compensation is paid
- 7.7.1 BSI ensures that wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher.
- 7.7.2 BSI has a transparent process to ensure that workers understand their wages before they enter employment, and about the particulars of their wages for the pay period concerned each time that they are paid.
- 7.7.3 BSI does not make deductions from wages as a disciplinary measure, nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All deductions are recorded.
- 7.7.4 Wages are paid regularly and on-time.
- 7.8 Working hours are not excessive
- 7.8.1 Working hours comply with national laws, collective agreements, and the provisions of 7.8.2 to 7.8.5 below, which are based on international labour standards, whichever affords the greater protection for workers.
- 7.8.2 Working hours, excluding overtime, are defined by contract, and shall not exceed 48 hours per week\*. All overtime is voluntary. Overtime is used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It is not used to replace regular employment.

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- 7.8.3 The total hours worked in any seven-day period shall not exceed 60 hours, except in exceptional circumstances where all of the following are met:
- i. This is allowed by national law;
  - ii. It is allowed by a collective agreement, freely negotiated with a workers' organization representing a significant portion of the workforce;
  - iii. Appropriate safeguards are taken to protect the workers' health and safety;
  - iv. BSI can demonstrate that exceptional circumstances apply, such as unexpected production peaks, accidents or emergencies;

7.8.4 Workers are provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period, as well as national holiday.

\* International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

## 7.9 Discrimination and equal opportunities

7.9.1 BSI treats all workers with respect and dignity.

7.9.2 BSI bases the employment relationship on the principle of equal opportunity and fair treatment. BSI does not engage in, support or tolerate discrimination in any area of employment.

7.9.3 BSI does not discriminate against any worker based on race, caste, social or national or ethnic origin, language, belonging to an indigenous people, citizenship, economic grounds, religion, age, disability, gender identity or expression, marital status, pregnancy, maternity, paternity, caring responsibilities, sexual orientation, union membership or political affiliation or other opinion in hiring or employment practices such as applications for employment, compensation, rewards, access to training, promotion, job assignments, discipline, termination or retirement.

7.9.4 BSI has an equal opportunity policy that promotes gender equity in employment practices, and states maternity and paternity leave provision and support for family care where appropriate.

## 7.10 Regular employment is provided

7.10.1 To every extent possible, work performed is on the basis of recognised employment relationships established through national law and practice and international labour standards.

7.10.2 Obligations to workers under labour or social security laws and regulations arising from the regular employment relationship are not avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

## 7.11 No harsh or inhumane treatment is allowed

7.11.1 BSI commits to a workplace free of inhumane treatment and harassment.

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7.11.2 BSI prohibits, and does not tolerate, physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse, corporal punishment, mental coercion, physical coercion or other forms of intimidation. Any disciplinary measures taken are recorded.

7.11.3 BSI provides training on non-discrimination and harassment where possible.

#### 7.12 Disciplinary procedures and grievances

7.12.1 BSI has established written disciplinary procedures and explains them in clear and understandable terms to its workers. All disciplinary actions and performance management actions are recorded and explained to workers. Workers have the right to trade union or other appropriate representation at disciplinary action which may lead to significant disciplinary penalties or dismissal.

7.12.2 BSI provides a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns. This grievance mechanism involves an appropriate level of management and addresses concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism also allows for anonymous complaints to be raised and addressed. The existence and scope of this mechanism is clearly communicated to all workers and their representatives, and all workers have equal access.

7.12.3 BSI has developed processes for communicating and consulting with workers and their democratically elected representatives to share information on the business and to gather feedback.

### **8. Environment**

8.1 BSI complies with all local and national environmental regulations. We seek to protect the environment and work to minimize negative environmental impacts from our operations, products, services and supply chain. Where practical to do so, actions include the prevention of pollution, reduction of waste, reduction of impacts associated with energy use and minimizing the use of natural resources. We also seek to undertake initiatives to promote greater environmental responsibility where possible.

### **9. Community involvement and development**

9.1 Where practical and appropriate, BSI actively contributes to our local communities, undertaking activities such as: contributing to environmental protection, enhancing local environmental quality, supporting the education of communities at all levels, in particular the education of children, women and vulnerable groups in the local community and supply chain, the creation of employment opportunities, skills development, health improvement initiatives and social investment and philanthropy.