



Group Procurement

Supplier Code of Conduct bpostgroup

Version: 1
Entry into force: 25 March 2025

Message from Group Chief Procurement Officer

Dear Suppliers,

At bpostgroup, we believe that the journey towards sustainability and ethical business practices is not one that we can undertake alone. As we continue our pursuit of becoming a sustainability leader in the markets we operate, we recognize it is a collective effort in which you, our suppliers, play a crucial role. Our commitment to sustainability is deeply ingrained in our core values and defines who we are as a company. We understand that to achieve our ambitious goals, we must work hand in hand with our suppliers. Furthermore, we acknowledge that you are not just providers of goods and services; you are an extension of our brand. As such, we share a responsibility for upholding bpostgroup's image and reputation.

Together, we can drive meaningful change and create a more sustainable future for generations to come. For example, your actions directly impact our carbon footprint, which are crucial for us to achieve our decarbonization ambitions in 2030.

Our commitment to becoming a sustainability leader is reflected in seven material priorities. These priorities, also outlined in this Supplier Code of Conduct, are the following: reducing our carbon footprint, minimizing waste, ensuring health, safety, and wellbeing, promoting diversity, equity, and inclusion (DEI), conducting due diligence in our value chain, upholding business code and ethics, and safeguarding data privacy and security.

We want to assure you that our ambitions are not merely words but actionable commitments that we take seriously. To ensure accountability and transparency, we will conduct performance tracking.

In this bpostgroup Supplier Code of Conduct, we have established minimum requirements that apply to suppliers. However, we encourage our suppliers to go the extra mile by not only meeting those minimum requirements but to follow the aspirations outlined in this Supplier Code of Conduct.

We recognize that this journey requires continuous improvement and collaboration. I am convinced that together we can make a meaningful difference and create a better world for future generations. We thank you for your partnership and commitment to shared values.

Group Chief Procurement Officer



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1.

Introduction

The Supplier Code of Conduct is the foundation of the relationship between bpostgroup and its suppliers - creating a mutual understanding of bpostgroup's core values and beliefs. The purpose of the Supplier Code of Conduct is to outline our expectations according to the law and our company's core values and beliefs, especially as it pertains to sustainability and our sustainability strategy – ensuring consistent compliance from our suppliers.

We require from our suppliers to fully comply with all laws, and regulations applicable in their country of operation and locations where bpostgroup entities are located. Suppliers are required to be ethical in all aspects of their business, practices, operations, and relationships. The Supplier Code of Conduct is an instrument to guide appropriate governance of these issues and risks. For this purpose, bpostgroup expects from its suppliers to adhere to the Supplier Code of Conduct which will form an integral part of the contractual relationship with the relevant bpostgroup entity/entities. The principles expressed in this Supplier Code of Conduct also comprise an important component of supplier selection and evaluation during the tender process.

“Minimum requirements” are non-negotiable standards that the supplier needs to follow. Whenever “Aspirations” are used, it indicates recommendations of bpostgroup as an improvement path for the supplier to work towards.

2.

Scope

This Supplier Code of Conduct applies to the entire value chain meaning, our suppliers, including manufacturers, distributors, and service providers, who deliver goods or services procured by bpostgroup. It also covers subcontractors and agents working on behalf of these suppliers. Suppliers are expected to ensure that their own suppliers and subcontractors are aware of and comply with the standards set forth in this Code. The Supplier Code of Conduct is an integral part of contracts bpostgroup closes with a supplier.

3.

Environment

As a global logistics service provider, bpostgroup has an impact on the environment across the e-commerce value chain. Every day we ship more than a million parcels and letters around the world, generating a significant carbon footprint. bpostgroup wants to contribute to the global effort to reduce greenhouse gas emissions. Concretely, bpostgroup commits to reduce carbon emissions across the e-commerce value chain in line with the Paris Agreement goals.



3.1 Climate change

Requirements

bpostgroup has committed to reducing carbon emissions across the e-commerce value chain by setting SBTi¹ compliant-targets. This shared long-term ambition encourages us to accelerate our efforts to decarbonize the e-commerce supply chain. This can only be achieved with the support of our suppliers, as our indirect carbon emissions (scope 3) accounts for more than 70% of bpostgroup's total carbon emissions.

The supplier shall support bpostgroup to meet its target to reduce its scope 3 greenhouse gas emissions (hereafter "**GHG emission**") by complying with the following:

- Disclosure: The supplier shall report and disclose complete GHG emissions data following the GHG Reporting Standard², ideally verified by a third party.
- Target setting: The supplier shall set targets to reduce its GHG emissions, preferably validated by Science Based Targets initiative or equivalent.
- Reduction measures: The supplier shall take reduction measures, changes and solutions aimed at lowering GHG emissions, including exploring renewable energy sources and actively engaging their entire value chain;
- If the supplier is currently not fulfilling one or more of the above requirements, it will do so within a grace period of two years.

Aspirations

Suppliers are encouraged to:

- collaborate with bpostgroup for implementing decarbonization strategies through real business changes and innovations, including efficiency improvements, renewable energy, materials reductions, and other carbon emission elimination strategies.
- set targets to reduce their GHG emission that are SBTi compliant.

3.2 Waste management and circularity

Requirements

The supplier must:

- comply with all applicable environmental laws and regulations, including but not limited to the ones that regulate hazardous materials, and pollutants released to air, water and soil.
- identify any chemicals, waste, or other materials that may be released, and which may pose a threat to the environment, and manage such chemicals or materials appropriately to ensure their safe handling, movement, storage, use, reuse, recycling, and disposal.
- have systematic processes for waste management, especially those arising from its activity with bpostgroup, giving priority whenever possible to reuse and recycling treatments, with the aim of contributing to the circular economy.
- only engage recyclers with implemented recognized Environmental Management Systems (EMS) in place, according to the standards of ISO14001, or similar.
- set targets on waste and/or packaging. When providing goods to bpostgroup, we expect those to be packed in recyclable material.

Aspirations

Suppliers are encouraged to:

- collaborate with bpostgroup for implementing waste management strategies (including packaging reduction, optimization, etc.) and circular products and services through real business changes and innovations.
- design goods for longevity, repairability, recyclability, in line with circular business models.
- develop a detailed action plan and associated resources to meet its targets on waste and/or packaging.

¹ Science Based Targets initiative, more information on: <https://sciencebasedtargets.org/>

² The GHG Protocol Corporate Accounting and Reporting Standard, more information on: <https://ghgprotocol.org/corporate-standard>



3.3 Environmental laws, permits and standards

Requirements

The supplier must:

- meet all applicable environmental legal requirements to its operations, as well as local and internationally recognized environmental practices.
- have routines in place to identify, control and mitigate its environmental impact and continuously improve its environmental performance.
- take appropriate action to reduce the environmental impact of its operations and constantly focus on improving its environmental performance and minimizing its consumption of resources and its emissions.

Aspirations

The supplier is encouraged to:

- have a publicly available environmental policy in place, and
- document the implementation of its environmental policy including its progress on commitments towards continuous improvements to protect the environment.

4. Social

Respect for human rights and human dignity lies at the core of bpostgroup's fundamental values. We expect our suppliers to uphold the same high standards of human rights performance in their own operations and supply chains. The Universal Declaration of Human Rights (hereafter "**UDHR**") is a landmark document that sets out the fundamental rights and freedoms that belong to every person in the world, from birth until death. As a supplier to bpostgroup, you are expected to support the principles of the UDHR. Next to supporting these principles of the UDHR, you are expected to support ILO Declaration on Fundamental Principles and Rights at Work and United Nations Global Compact (UNGC).

In addition, we expect our suppliers not to manufacture, distribute, use, or otherwise support equipment used in human rights violations, such as instruments of torture or means of mental or physical coercion or punishment. This includes sexual harassment and verbal abuse. We believe that respecting human rights is essential to good business practice. By upholding the standards of this Supplier Code of Conduct, our suppliers can help us to build a more sustainable and equitable global economy.

This Supplier Code of Conduct complements bpostgroup's Human Rights Policy, as may be amended from time to time and as available on our [website](#). The Human Rights Policy sets out the fundamental principles embedded in bpostgroup business, including in the context of its suppliers. bpostgroup expects and encourages suppliers and its business partners to uphold the same values and implement similar policies and practices.

4.1 Diversity, equity and inclusion

Requirements

At bpostgroup, we prioritize respect for all individuals and promote diversity, equity and inclusion in the workplace.

The supplier must:

- ensure equal opportunities and fair treatment for all coworkers throughout recruitment and employment processes.
- treat all individuals, including third parties, with dignity and respect in all business interactions and dealings.



- prohibit unlawful discrimination based on sex, gender identity and expression, age, religion, race, ethnicity, disability, sexual orientation, or any other protected characteristic.
- address any issues related to discrimination, violence, or harassment promptly and effectively.
- prevent discrimination and all forms of violence, harassment, and degrading treatment, ensuring a safe and respectful workplace environment.

By adhering to these principles, our suppliers demonstrate their commitment to fostering a culture of respect, diversity, equity, and inclusion, aligning with bpostgroup's values and mission.

Aspirations

Suppliers are encouraged to:

- implement diversity and inclusion programs, promote cultural sensitivity, and provide training to foster a more inclusive work environment. Ideally, gender pay gaps are evaluated and measures are implemented to close them, ensuring gender balance in managerial positions.
- cultivate a culture of respect, trust, and continuous improvement within their workplaces, fostering a positive and harmonious atmosphere. This could include promoting diversity and inclusion, preventing harassment and discrimination, and setting up reporting channels for coworkers to report inappropriate behavior.
- develop and maintain an employee assistance program in case of discrimination and all forms of violence, harassment, and degrading treatment.

4.2 No child nor forced labor

Requirements

bpostgroup has a zero-tolerance policy on child labor. Our suppliers do not use child labor in any part of their supply chain. Child labor is defined as the employment of any person under the minimum legal working age, or under the age of 15 in countries where there is no legal minimum working age. The interests of the child shall prevail before all other concerns.

The supplier must:

- not use forced, bonded or compulsory labor and employees must be free to leave their employment after reasonable notice. Employees are not required to lodge deposits of money or identity documents.
- have policies and procedures in place to prevent child labor throughout their supply chain. These policies and procedures should also cover children's rights in general, as outlined in the Convention on the Rights of the Child.

Aspirations

Suppliers are encouraged to:

- have plans in place to deal with situations where child labor occurs. Suppliers could work with other organizations, such as children's rights groups and NGOs, to raise awareness and prevent child labor.
- develop and implement a plan to prevent any form of forced labor from their supply chain. The plan should:
 - include measures to identify, prevent, and address forced labor, such as risk assessment, due diligence, policies and procedures, training, and stakeholder engagement.
 - be comprehensive and include all aspects of the supply chain from raw materials to finished product.
 - be regularly reviewed and updated to reflect changes in the supply chain and the risk landscape.

4.3 Health and safety practices

Requirements

The supplier ensures that employees are provided a safe and healthy work environment, and are not subject to unsanitary or hazardous conditions. The supplier shall allow workers to express their concerns about working conditions without threats of reprisal or harassment.



The supplier must:

- establish a dynamic risk management system to identify and analyse occupational risks. This focuses on prevention and taking material and organisational measures to reduce risks or control their consequences.
- ensure the safety and health of workers, including the provision of adequate personal protective equipment. These measures should be continuously adapted to changing conditions and strive to improve existing situations.
- ensure that only workers with the necessary competence should perform specific tasks. This requires appropriate training and clear instructions.
- ensure appropriate work equipment and sites and address irregularities in a timely manner.
- establish adequate emergency procedures, including measures for serious and immediate hazard situations. This includes aspects such as first aid, firefighting and evacuation of workers.
- provide adequate health surveillance with the aim of promoting and maintaining the health of workers.

Aspirations

Suppliers are encouraged to:

- continuously enhance workplace safety and
- protect the health of employees by establishing a comprehensive management system. This system includes measures to prevent accidents, reduce risks, and promote overall well-being in work environments, ensuring the health and safety of their workforce.

4.4 Labor conditions, freedom of association and compensation

Requirements

The supplier must:

- ensure that its employees work in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours and overtime hours, including for breaks, rest periods, holidays, and parental leaves.
- ensure that employees are not be subjected to excessive or unreasonable working hours. Overtime shall be agreed with the personnel and regular overtime shall not be encouraged.
- ensure that employees are free to join or form trade unions, and to bargain collectively with their employers. Retaliation or discrimination against employees who exercise their rights is strictly prohibited.
- ensure that employment conditions are presented to employees in a comprehensible manner, and a fair and reasonable pay shall be provided in accordance with legal requirements with regard to working hours, remuneration, holiday, sick leave, and parental leave. Compensation practices should be transparent and clearly communicated to employees.

Aspirations

Suppliers are encouraged to:

- actively promote a work-life balance for employees, recognizing the importance of personal time and family commitments.
- engage in active and constructive social dialogue with their employees, based on motivation, recognition, and reward, to boost workplace engagement.
- collaborate effectively with relevant stakeholders, such as non-governmental organizations, industry associations, and worker representatives, to build and maintain strong relationships between employers and workers in the sectors or areas where they operate.
- offer additional benefits such as healthcare, retirement plans, or educational support to enhance the overall well-being of their employees.

5.

Governance

bpostgroup considers integrity and compliance with laws and regulations as well as its Code of Conduct and other company policies to be extremely important. All policies are available on the [bpostgroup website](#). Integrity and compliance are essential to preserve bpostgroup's reputation, credibility, and trust of employees, clients, the public and other stakeholders, as well as to limit possible financial exposure.

5.1 Fair competition, antitrust, conflict of interest and money laundering

Requirements

The supplier must:

- act within the law, commit no (fiscal) fraud and abstain from, among other things, anti-competition, tax evasion and money laundering mechanisms.
- see to it that no actual or apparent conflicts of interests arise between the parties that could have a negative impact on bpostgroup.

Aspirations

Suppliers are encouraged to:

- actively promote fair competition within their own business practices.
- implement internal controls and audits to ensure compliance with laws related to anti-competition, tax evasion, and money laundering.
- regularly review and update their conflict of interest policies to prevent any potential negative impact on bpostgroup.

5.2 Data privacy and security

Requirements

The supplier must:

- respect and protect the confidentiality of bpostgroup's proprietary information, trade secrets, and any other confidential data shared during the course of business. This obligation also applies to the supplier when using external partners, tools or suppliers to perform tasks for bpostgroup.
- have sufficient technical and organizational measures in place to safeguard sensitive information, including personal data, employee data, and other confidential records.

Compliance with data protection and cybersecurity (incl. where applicable Cyber resilience) laws, applicable standards and regulations, such as the General Data Protection Regulation (GDPR), is mandatory where applicable.

Aspirations

Suppliers are encouraged to:

- establish clear IT, cybersecurity and data protection policies and procedures to mitigate any breaches to personal data of confidential information and ensure compliance with privacy market-standards (e.g. ISO27001, ENISA).
- actively promote a culture of respect for data protection among their employees.

5.3 Accuracy of business records

Requirements

The supplier must:

- maintain accurate and complete business records, financial statements, and other documentation in accordance with generally accepted accounting principles and applicable legal requirements. Records should reflect the true and fair view of the supplier's financial position and performance. Transparent financial reporting is essential, including the disclosure of all material financial information.

Aspirations

Suppliers are encouraged to:

- implement robust internal controls and auditing procedures to ensure the accuracy and reliability of their business records.
- continuously improve their financial reporting practices to enhance transparency and accountability.

5.4 Refusal of bribery, corruption and compliance with export and sanctions laws

Requirements

The supplier must:

- abstain from any form of corruption, bribery, extortion and attempts to influence employees of bpostgroup that participate in the decision-making process or the implementation of contracts. In this framework, the supplier's attention is drawn to the bpostgroup Code of Conduct with regard to gifts and benefits for employees.
- ensure that it is not in violation of any applicable export and sanctions laws including financial sanctions and economic/trade sanctions which could negatively impact bpostgroup.

Aspirations

Suppliers are encouraged to:

- establish a zero-tolerance policy for bribery, corruption, extortion, and undue influence.
- conduct anti-corruption training for their employees to raise awareness and ensure compliance.
- collaborate with bpostgroup in the event of concerns related to gifts and benefits, aiming to maintain transparency and ethical conduct.

5.5 Grievance mechanism

Requirements

The supplier must:

- protect whistleblower confidentiality and prohibit retaliation in accordance with applicable laws.
- report any conduct or situation contrary to bpostgroup's Supplier Code of Conduct and other company policies according to bpostgroup's Speak up policy.

Aspirations

Suppliers are encouraged to:

- actively discourage and prohibit any form of retaliation against whistleblowers or individuals raising concerns about ethical or compliance issues.



6.

Continuous improvement

The supplier should have, or be working towards building, a culture of continuous improvement in developing and implementing measures to ensure they align with the requirements set forth in this Supplier Code of Conduct.

The supplier is encouraged to establish clear goals and processes towards meeting the aspirations set forth in this Supplier Code of Conduct.

7.

Compliance

Without prejudice to any other audit rights to which bpostgroup may be entitled under its contractual relationship with a bpostgroup entity or by law, the supplier shall collaborate with bpostgroup and enable it to conduct assessment and monitoring activities/audits towards the supplier and its sub-contractors to effectively evaluate the suppliers' and sub-contractors' actual compliance with the Supplier Code of Conduct. This includes the right for bpostgroup to may request:

- the supplier to conduct a self-assessment and share the results with bpostgroup.
- for its key suppliers an assessment by an independent organization (Ecovadis or equivalent) regarding compliance with this Code. This assessment will take place annually for key suppliers and at the expense of the supplier. The supplier is expected to make efforts to improve year after year and meet at least the level of the sector benchmark.
- perform onsite assessments or request a third party onsite audit. This may include inspections and/or interviews with selected workers at suppliers' premises, manufacturing sites and/or any other locations where work is carried out for bpostgroup or with regard to products and solutions purchased by bpostgroup. External onsite audits can be requested at the expense of the supplier. If the supplier has been assessed by equivalent onsite audits he/she shares this information with bpostgroup.

Non-compliance with this Code or failure to take the necessary measures following an assessment, shall be deemed a breach of the contractual obligations of the supplier and may therefore lead to further steps or even lead to termination of the contract. The same applies if the supplier refuses to provide information regarding compliance with this Code or does not participate in the assessment.

8.

Availability, updates and clarifications

This Supplier Code of Conduct, together with the Code of Conduct, Human Rights Policy and Speak Up Policy,

- is an internal and external document available on our [website](#).
- is an evolutive document that will be reviewed on a regular basis and updated as necessary.
- suppliers will be informed of any updates and agree that any updates will continue to form part of the contractual relationship it has with bpostgroup.

If you have any questions or queries in relation to the Supplier Code of Conduct, please reach out to your bpostgroup's contact person or in particular suppliercodeofconduct@bpost.be.

