



# CODE OF CONDUCT

**OF  
B&S GROUP S.A.**



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# INTRODUCTION



B&S Group, hereafter referred to as “the Company”, is a leading company in the worldwide wholesale and distribution of fast moving consumer goods in niche markets. The Company puts high value on the interest of all its stakeholders, ranging from clients and suppliers to staff and shareholders and from banks to governmental institutions. We also have a responsibility to the community and to the environment.

The interests of our stakeholders are best served by our ongoing commitment to maintain the highest ethical standards in all aspects of our business.

The Company’s integrity is considered as one of our greatest assets. Our integrity is based on the fact that we always do the right thing, even when it does not always benefit us. This is what has earned us the reputation we have today.

We earn credibility with our stakeholders by keeping our commitments, acting with honesty and integrity and pursuing

our company goals solely through ethical and professional conduct.

This Code of Conduct, hereafter also referred to as “the Code”, is derived from group ethics, rules and policies. The Code also complies with applicable policies from the ILO and UN conventions, all as far as relevant for the activities of our company and our industry. The Code is applicable to all staff members working for the Company.

The Code is a compilation of rules, policy statements and expectations intended to assist each and every employee, manager and director in making decisions about their business conduct. The Code is a reference and a basic standard for how we must approach our work, our relationships with stakeholders of the Company our decisions and our actions.

Each and every one of us is accountable for our actions, and each and every one of us is responsible for knowing and abiding by the policies that apply to us. Managers have a special responsibility, through example and communication, to ensure that employees under their supervision understand and comply with the Code and other relevant policies.

Staff members having concerns about what is proper conduct for them or anyone else in a specific situation should promptly raise that concern with their superior or the person designated by the Board of Directors for this purpose. Any concern so raised shall be promptly and discreetly addressed, with due care and respect.

This Code can provide guidance for making decisions in a variety of circumstances. We operate in a dynamic environment where it is not always possible to anticipate on every possible situation, by means of company rules and regulations. In such cases we continue to rely on the personal integrity and honesty of each and every staff member within our company. Our reputation for acting with the highest values and principles is our legacy and a strong foundation for our future.

Bert Meulman  
CEO



# ETHICS WITHIN B&S GROUP

- *We are responsible to all our stakeholders, the community and to the environment*
- *We strive to continuously apply sustainable business practices in order to achieve our long-term objectives*
- *We strive to be an enterprising, well-respected and trustworthy organisation*
- *We are honest and act with integrity*
- *We take personal responsibility with respect to business ethics and conduct*
- *We actively propagate our business conduct in order to protect and improve the Company's integrity and reputation*
- *We trust our managers to act as role models and as positive activist of good business conduct*
- *We expect ethical behavior from all stakeholders with whom we do business*
- *We continuously improve, monitor and evaluate our business conduct*
- *We act according to the law and regulations as well as to ILO and UN conventions at the minimum*
- *We avoid conflicts of interest*
- *We do not involve in money laundry, illegal transactions, corruption and bribery*
- *We accept gifts and favors only with great caution and avoid conflicting loyalties*
- *We prohibit fraud*
- *We serve our clients in the best possible way and add value to their business*
- *We compete fairly*
- *We adapt to local legislation in high risk countries, always preserving the Company's high standards of ethical conduct*
- *We safeguard our assets and data*
- *We use our electronic communication tools professionally and responsibly*
- *We recognize and respect personal privacy*
- *We protect confidential information*
- *We are fair, honest and open in our communication to stakeholders*
- *We respect each other and have respect for other stakeholders*
- *We do not misuse our corporate structure and comply to company policies and OECD regulations*
- *We administrate and report in a correct, precise and truthful manner*
- *We manage business risks and mitigate risks by following procedures and internal control mechanisms*
- *We establish working conditions and a working environment that supports excellence*
- *We build on outstanding relations based on trust, respect and teamwork*
- *We treat our employees fairly and avoid discrimination*
- *We do not tolerate intimidation and harassment*
- *We do not use drugs and alcohol*
- *We promote the right to associate*
- *We protect the health, safety and personal well-being of others and ourselves*
- *We have respect for fundamental labor and human rights and are never involved in child labor or forced labor*
- *We foster the environment and strive to reduce waste and energy*
- *We are proactive members of our communities*

# SCOPE

## Scope

This Corporate Code of Conduct is applicable for all staff members (including temporary workers) of B&S Group and all the business units and liaised group companies of B&S Group.

The Code is complementary to the various other rules and policies, such as the corporate personnel guides, financial policies and procedures and other general guidelines applicable within our company. If necessary for our partners, the code will be translated to other languages.

## Good practices and social responsibility

The Company is focused on generating added-value for all its stakeholders, for its clients, its shareholders and all its other business partners.

In accordance with legal regulations and vis-à-vis all its stakeholders it is the responsibility of our company to strive continuously to apply sustainable practices in order to rank among the leading enterprises in our industry.

The Company strives to maintain good relationships with both its stakeholders and the community in its immediate vicinity. We further continuously strive to an enterprising, well-respected and trustworthy organisation that makes a sustainable contribution towards society.

In the interest of all stakeholders we try to achieve an optimum balance between our achievements in the field of long-term sustainability and our company's core objectives.

To this end the Company constantly invests in the most up-to-date logistics facilities, innovative logistic concepts and ICT solutions and seeks improvements to entrepreneurial policies, working methods and best practices so as to enhance its leading positions in its respective markets.

Safe working environments and a professional Code of Conduct are priorities in our day-to-day working methods.

## Internal responsibility, accountabilities and enforcement

All staff members should understand the principles, procedures and guidelines stated in this Code of Conduct. It is expected that staff members work in the spirit of those principles and actively propagate them in order to protect or to improve the Company's integrity and reputation.

All staff members that have questions, issues, or suggested improvements, related to the Code of Conduct are invited to contact the Board of Directors of the Company.

Compliance with this policy of business ethics and conduct is the responsibility of every employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

## Additional responsibilities of managers

Company managers are expected to lead according to our standards of ethical conduct, in both words and actions. Managers are responsible for promoting open and honest two-way communications. Managers must be positive activists and role models and must be diligent in reporting unethical or illegal conduct.

All allegations of improper, illegal, or unethical conduct will be promptly and objectively investigated.

Employees will not be retaliated against or subject to any form of reprisal for raising a concern under this policy or for participating in an investigation into any such concerns.

Retaliation is a serious violation of this policy and should be reported immediately.

The reporting and investigation of allegations of retaliation will follow the procedures set forth in this policy. Any person found to have retaliated against an individual for reporting illegal or unethical behavior or for participating in an investigation of allegations of such conduct will be subject to appropriate disciplinary action.

## External promotion

Whereas the Code of Conduct is firstly applicable for the Company's own staff members, we considered it important that our stakeholders follow similar good governance and business ethics. We actively promote our ethical behavior to stakeholders, even in other languages if needed for a better understanding.

## Development of the Code of Conduct

Our company has a long history with diverse activities dating back for more than a century. Our company is rightly proud on its background. It has evolved over time and determines the professional company that we are today.

The way we do business, our Code of Conduct has evolved alongside. It is a sustainable and strong pillar on which the Company has earned the trust of its business partners.

In a dynamic environment our company is constantly changing and moving forward. Against this background this Code of Conduct will be regularly reviewed and adjusted if necessary.

# INTEGRITY AND LEGAL COMPLIANCE

Our integrity should be beyond all doubt. In view of the important social role of our company, it is imperative that all our employees comply with the legislation and regulations of the countries in which we are active and also comply with the values and standards that apply within our company and which have been laid down in this Code of Conduct.

We expect our employees to show integrity and honesty in their mutual relationships and in relationships with stakeholders. We also expect integrity and reliability from our business partners, such as clients, suppliers and other business partners.

Our company operates worldwide, sometimes in remote areas and in developing countries. The stance to institutions is important for the way we operate.

The Company abides by the local legislation, industry minimum standards, ILO and UN conventions and other statutory requirements.

## Conflicts of interest

We depend on the trust of our clients, suppliers and other third parties. Conflicts of interest or the appearance of conflicts of interest undermine our good reputation. A conflict of interest arises in a situation in which the position of an employee within the Company is used to serve personal, commercial or financial interests, be it to the detriment of the Company or not.

Any situation in which a conflict (or the appearance of a conflict) could arise between personal interests and the interests of the Company, should be avoided. In particular, any transaction of a Business Unit where an employee has a personal interest must be approved by the manager of the person to whom that employee is directly reporting. This includes transactions with that employee himself or herself, but also transactions with businesses in which the employee has an interest or is in any other way involved (for example as advisor or supervisory director).

## Money laundry and illegal transactions

Our company will not cooperate in illegal transactions or transactions suspected to aim on the laundry of money.

## Corruption and bribery

We do business on the basis of honest and ethical management, trust and integrity. We expect the same from everyone with whom we do business.

Our company will not accept any influence in the decision making by people based on promises, gifts, bribes or kickbacks, or by any other measure that is unethical or that will tarnish our reputation for honesty and integrity. Even the appearance of such conduct shall be avoided.

## Gifts and favors

Gifts, favors and hospitality are to be handled with great caution. Excessive gifts and hospitality can affect our business judgment and can create expectations from third parties. As a result the Company can be embarrassed by its disclosure.

Gifts, favors and hospitality may only be accepted when they are consistent with general accepted business practices and ethical standards and do not in any way violate applicable law. In accepting gifts, favors or hospitality any attempt of bribery or kickback should be avoided.

Staff members who are engaged in procurement activities should safeguard their freedom of action to deal impartially and to avoid conflicting loyalties.

Therefore, gifts, favors and hospitality of any kind, which would obligate or tend to obligate the staff member, must not be accepted. We expect our suppliers to respect our gift policy when doing business with us, just as we will respect the similar policies of our clients.

Giving gifts, favors and hospitality to our business partners are acceptable provided they are appropriate for the business purpose and are not excessive.

## Fraud

Our company maintains a zero tolerance attitude towards fraud. This is applicable for all our staff members but we also expect our business partners to refrain from fraud.

All the divisions and business units are subject to general policies, procedures and control mechanisms to prevent and detect fraud.

Reports of fraud or attempt of fraud will be seriously investigated and reported to the Board of Directors, followed by appropriate sanctions, if necessary.

## Foreign Corrupt Practices Act

Our company believes it is essential that our staff comply with the terms of the Foreign Corrupt Practices Act (FCPA), especially as it increases its presence in countries throughout the world. The FCPA makes unlawful certain conduct by or on behalf of U.S. companies abroad. The FCPA comprises of the following basic elements:

- Anti-bribery provisions which prohibit the payment of bribes to foreign officials to obtain or keep business;
- Accounting provisions, which require public companies to maintain accurate books and records, and an adequate internal accounting system.

Consistent with the terms of the FCPA, our company prohibits any of its or its subsidiaries' employees, consultants, agents or representatives from corruptly offering, paying or offering to pay money or other things of value to a foreign official (as that term is defined in the FCPA) for the purposes of:

- Influencing any act or decision of such foreign official in his/her official capacity,
- Inducing such foreign official to do or omit to do any act in violation of his/her official capacity;
- Inducing such official to use his/her influence with a foreign government or
- Securing an improper advantage in order to obtain or retain business.

## Clients

Our clients are decisive to our success. Therefore, we do our utmost to meet or exceed our clients' needs. We provide

our clients with the best service and are open to complaints, comments and recommendations.

## Competition

Our company believes that fair competition is fundamental to free enterprise. We observe antitrust and competition laws where we do business. In relationships with competitors, dealers, distributors, suppliers and clients, we avoid arrangements that restrict our ability to compete with others.

We are not involved in any arrangements, understandings or agreements with competitors affecting prices, terms upon which products are sold, or the number and type of products sold. We follow applicable import and export control laws when conducting business around the world.

## Presence in high risk countries

Our company has activities in numerous countries. Potentially this includes countries where there is a risk that business partners are not always acting in line with this Code of Conduct. In these cases we act according to the spirit of our Code.

In case of governmental changes we strive to adjust to the new rules and regulations as far as possible while, at the same time, considering our own long-term interest and objectives.

We are of the opinion that our activities provide opportunities to improve the living standards and welfare of the communities in which we operate. We will support fundamental human rights as included in the UN Universal Declaration of Human Rights.

## Post employment restrictions UN

We strongly respect the post employment restrictions of the UN.

# ASSETS, DATA HANDLING AND INFORMATION

## Safeguarding assets

Our staff members should always take care to conserve company assets and equipment. The staff is provided with the most modern and state-of-the-art equipment in order to carry out the work effectively and comfortably.

Company funds, equipment and other assets (including intangible assets) should not be requisitioned for personal or inappropriate use. In case of doubt with respect to the given usage of assets, please convert to your direct manager.

## Electronic communications tools

Our company sustainably invests in the state-of-the-art Internet and Communication Technology (ICT) and has appropriate corporate procedures and contingency plans in place.

ICT equipment comprising of computers, telephones, and other communications resources are a crucial aspect of our company's property, both physical and intellectual.

Our staff is expected to take all due care to handle the equipment according to the Company's procedures and plans for maintaining the security and privacy of these resources. If any employee has any reason to believe our network security has been violated it is required to promptly report this to a direct manager. Personal (non-business) use must remain within reason and must be kept to an absolute minimum.

## Privacy

Within the framework of applicable laws and regulations we respect the privacy of our stakeholders. In conducting our business we gather data from clients, suppliers, competitors and other third parties. Those data will be dealt with in a confidential manner. It will only be used for professional purposes of the Company, all within the applicable legislation.

## Confidentiality

Every staff member of the Company must treat confidential data with care. Company information may be defined as information about the company that is not known to third parties. For example financial data, strategic memos and reports, may have significant value to others and therefore must be kept strictly confidential. Anyone who has confidential information about the Company must not use it for personal gain or provide it to others. We expect all employees, their families and others whose relationships with our company give them access to such information to comply with these principles.

## Stakeholders relations

The Company recognizes the importance of providing all its stakeholders reliable, honest and transparent information, if necessary in local languages.

The Company accepts its responsibility for informing internal and external stakeholders about its own financial, operational and social practices in a professional and transparent manner.

## Relationships with affiliates

In order to ensure that the company's organisational structure is not used unfairly, all transactions between and among the group companies (also called "affiliates") must comply with company policy and all applicable laws and regulations, including OECD regulations, securing "At Arm's Length" transactions.

## Financial administration

The management must make sure that all relevant business transactions and other actions are recorded in the administration in a correct, precise and truthful manner.

Financing institutes, creditors and others have a legitimate interest in our company's financial and accounting information. The integrity of our company's financial reports and accounting records is based on validity, accuracy, completeness, timeliness and understandability of basic information supporting entries to the company's books of account. We will ensure every accounting or financial entry accurately reflects what is described by the supporting information. We expect employees involved in creating, processing or recording such information to be personally responsible for its integrity. The same standards of integrity that apply to external financial reporting also apply to the financial statements that are used as internal management tools.

## **Risk management and internal control**

The Company is exposed to traditional business risks and specific industry risks.

The Company's Board of Directors is responsible for the high quality of risk management and internal control mechanisms. The Board is well aware of the relevant risks, the necessity of mitigating the risks and adapting measures to changing external circumstances as these risks could influence the Company's market positions, turnover, net profit, liquidity and ratios.

The Company's Board of Directors will monitor the compliance of the Code of Conduct on an ongoing basis.

# WORKING CONDITIONS AND WORKING ENVIRONMENT

## Teamwork

The ongoing success of the Company over the years is firmly based on the dedication, entrepreneurial involvement, creativity and passion of our employees.

This is why human resource management is fundamental within our organisation. The Company pays considerable attention to career development, recruitment, retention, training and the safety, quality and personal well-being of the Company's staff.

The Human Resource Department within our company is focused primarily on guaranteeing the Company's continuity and supporting the operational staffing with talented people, working together as a team. With its policy the Company strives to be amongst the most attractive and active employers within its industry. The Company truly has much to offer high potentials.

Our company's culture inspires our staff to deliver the best quality and service to all our stakeholders, from clients to suppliers and from government bodies to financing institutions.

Most of our relationships with stakeholders are of a long-term nature. We firmly believe in personal investment and partnerships. Helping each other, finding solutions and giving each other respect and trust are all ingredients for intensified relationships with third parties. External stakeholders who do business with us for the first time are invariably surprised by the positive approach of our staff members.

## Discrimination

The principles of equal opportunities are well embedded in our company's approach and objectives in respect of our workforce. Recruitment of staff is done on the basis of equal opportunity, irrespective of gender, marital status, sexuality, color, sex, ethnic origin, religion or physical ability.

We strives to provide equality of opportunity as an employer, delivering equal opportunities to all staff and potential staff in terms of remuneration, recruitment, promotion, training and access to opportunities.

All staff involved in recruitment and selections are made familiar with their responsibilities with regards to ensuring equality of opportunity.

The Company has introduced fair recruitment, training and employment practices to prevent discrimination and to ensure that no person will be treated less favourably. The recruitment policy takes account of equal opportunities and the Company is committed to ensure that ability and potential performance in the job are the only criteria used in selection.

The Company regularly monitors the composition and movement of its staff to ensure equality of opportunity at all levels in the organisation. Also records of all those applying for jobs are monitored to ensure that discrimination does not take place.

## Intimidation and harassment

Sexual harassment, abuse or exploitation, other kinds of intimidation, violence, inhumane treatment and (psychological) harassment are inadmissible. Managers should be attentive to possible cases of intimidation or harassment and immediately report such a situation to the Board of Directors. Complaints can be submitted to the Board of Directors, a senior member of the Human Resources Department or to the designated counsellor. In the event a complaint is made, our company will start an investigation and, if necessary, take appropriate action.

## Drugs and alcohol

We expect our employees to behave in an appropriate manner at all times. This means, amongst other matters, that the consumption of alcohol or drugs at work and during working hours is strictly forbidden. During business dinners, and company parties limited use of alcohol is allowed.

## The right of association

Employees are entitled to become a member of a trade union or works council.

## Safety, quality and personal well-being

The safety and quality of employment conditions are a high priority. Our policy is to offer our workers a healthy and safe working environment. This is particularly important when it comes to the working conditions in warehouses and for operational activities. Our values and policies mean that we have always invested in state-of-the-art equipment and materials.

At the same time we do our utmost to ensure the safety of third parties, their goods and the environment.

As far as our offices are concerned, all the Group companies make use of the latest technology and provide high-quality employee facilities including catering and day-care. All our offices have modern fitness facilities that are available to our employees. These facilities offer both novice and advanced sportsmen and women a perfect place to exercise and work out under professional supervision in order to keep fit and maintain a healthy lifestyle.

The excellent working conditions and positive working atmosphere within our organisation contribute towards the general motivation and effectiveness of the Company as well as the structurally low average absenteeism.

## Working hours

All our staff members have standard working hours, based on local regulations and industry standards and are in accordance with the ILO conventions. Overtime hours are performed on a voluntarily basis. Maximum working hours do not exceed 60 hours per week. Staff members are entitled to at least one free day after 6 consecutive working days.

## Remuneration

All our staff members are fairly compensated for their work in line with local minimum requirements set by law and by industry standards in relevant countries as well as by ILO conventions.

Our company shall not make illegal or unauthorised deductions from wages.

In situations in which the legal minimum wage does not adequately cover living expenses and provide some additional disposable income, companies shall strive to provide employees with adequate compensation to meet these needs.

## Other labour and human rights

Our company is a modern and professional company that adheres to national laws, rules and regulations in the countries that we are active in. With respect to the working conditions of all our staff members, we offer the best possible conditions. These conditions exceed the ILO labour conventions at the minimum.

Our company respects the human right and always treats people with respect and human dignity. Moreover our company is never involved in any child labour, nor any forced labour.

# ENVIRONMENT

Environmental issues are considered as important business aspects for the Company.

The Company goes beyond the compliance with local environmental regulations. Whenever possible, our company is committed to adopt practices of reduction, reuse, recycling, and recovery in order to utilize resources in the most environmentally prudent manner.

## Investments and use of resources and materials

We are concerned with the conservation of the environment in its broadest sense, and recognise that certain resources are finite and must be used responsibly. We aim to limit the use of finite resources in all business ventures and in particular recognise our role in managing responsibility for the assets we use and occupy.

We thereby practice the precautionary principle by avoiding materials and methods posing environmental and health risks when suitable alternatives are available.

With corporate investments we always seek for sustainable solutions and try to maximize both financial return and social good.

## Waste Management

Our company has outsourced the waste processing to a professional recycling company. The operational waste (originated from packing, boxing, etc) is collected and compressed selectively in dedicated compactors for paper, foil and communal (various) garbage in order to support recycling.

Waste paper is collected in special bins and recycled.

Printing and copying is carefully limited, scanning of documents and electronic document sharing is preferred.

By continuous instructions to the Company's staff, we increase the culture and awareness of good garbage handling and waste reduction.

## Energy consumption

Most of our offices use motion-detecting lights and energy-saving bulbs.

In other cases our office employees are instructed to limit the use of energy and trained to switch off lights when the lights are not needed. Management staff is very strict in controlling such energy saving policy.

# COMMUNITY

As one of the many participants on the global playing field, we believe in acting as a responsible corporate citizen.

Our company supports activities that improve the lives of people in communities in which our employees live and work. These activities may include education, health care, community building, infrastructure or nature development. Employees are encouraged to actively participate in community programs and. Manager within our company are expected to give their employees the opportunity to play an active role in society, for example through community or educational programs, unless participation in these activities creates a conflict of interest.

## Community contributions

### Education

Our company considers education as an important aspect for personal development. We therefore remain in close relationship with all the Universities and its teachers in our area, with the intention to contribute to the education of our community and to share knowledge.

Our educational activities comprise of giving trainings, workshops and presentations. Together with the Universities we set up dedicated learning projects. Every semester various students follow our internship program.

### Charity

Our company is open to provide funds for charity, but has chosen a dedication way to do so, by way of sponsoring the Dada Foundation in The Netherlands. The Dada Foundation takes care of ill children. In the past years our company has substantially sponsored this foundation.

### Food donations

Our company trades in food and consumer products and keep sizeable levels of own stock in its warehouses. Food products that are close or near the expiry date are regularly offered to general food associations or Food Banks (i.c. The European Federation of Food Banks). These products have lost commercial value, but frequently can be used alternatively for the people with less resources in the community. These company donations appear twice a month.

**B&S Group S.A.**

**Head Office**

18, place Bleech  
L-7610 Larochette  
G.D. Luxembourg

**Mail address**

Boite Postale 50  
L-7601 Larochette  
G.D. Luxembourg

**Visiting address**

Rijksstraatweg 7  
3316 EE Dordrecht  
The Netherlands

**Contact**

Ph. : +352 2687 0881  
Fax : +352 2687 0882  
W. : [www.bs-group-sa.com](http://www.bs-group-sa.com)  
E. : [info@bs-group-sa.com](mailto:info@bs-group-sa.com)