

# Supplier code of practice

Effective date 1 August 2020



Bank Australia

# Supplier code of practice

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## 1. Purpose

- 1.1 The purpose of this Code of Practice (the Code) is to detail Bank Australia's (the Bank) expectations in relation to all suppliers providing goods and/or services to the Bank.
- 1.2 We commit to:
  - 1.2.1 Working collaboratively with our suppliers to encourage their support for our approach and understanding of, and consistent adherence to this Code.
  - 1.2.2 Continuing to embed our principles and values into our business practices including through training, communications, contracts, agreements, and due diligence processes.

## 2. Responsible Banking Management Plan – Environmental, Social & Governance (ESG) Factors

- 2.1 The Bank considers general ESG factors when deciding whether to do business with specific companies to help manage risk and ensure alignment with the Bank's values. These ESG factors include but are not limited to fair payment and treatment of workers, adherence to laws regarding bribery, corruption, environmental regulation, and prevention of human rights abuses. See Clauses 3 & 4 for explanation of terms used and further details.
- 2.2 In accordance with the Commonwealth Modern Slavery Act, the Bank is required to prepare and publish an annual statement on its actions to assess and address the risks of modern slavery in its operations and supply chain. The Bank expects cooperation from its suppliers to conduct this assessment and to address any issues and it expects its suppliers to comply with all applicable human rights related laws and to respect human rights in the conduct of its business
- 2.3 The Bank will not onboard any supplier who, it knows,:
  - 2.3.1 Sources goods or supply services causing harm to the environment (polluting, deforestation, use of palm oil, toxic waste, etc), an animal (cruelty, chemical testing etc) or a human (child labour, exploitation, trafficking, anti-discrimination etc).
  - 2.3.2 Has other customer relationships that are in contravention of the Bank's values and could harm its reputation or adversely affect its customer engagement, relationship or retention.

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## 3. Interpretation

**3.1** In this Code of Practice, whether terms are capitalised or not:

**Contract** means any formal agreement or arrangement entered into, and signed as being agreed to, by two or more parties.

**Goods** means any material, plant, item or equipment specified in the order.

**Manufacture** includes grow, extract, produce, process and assemble.

**Property** includes every type of right, interest or thing, which is legally capable of being owned and includes, but is not restricted to physical goods, equipment and real property, as well as intangibles such as intellectual property, contract options and goodwill.

**Supplies** means property and/or services, as the context requires.

**Modern Slavery** is defined as 8 types of serious exploitation of people, often for personal or commercial gain, including; trafficking in persons; slavery; servitude; forced marriage; forced or involuntary labour, debt bondage; deceptive recruiting for labour or services; and Child Labour.

**Child Labour** means the use of children in industry or business, especially when children are subjected to slavery or similar practices or engaged in hazardous work.

**Inhumane Treatment** is characterised by a lack of tenderness, compassion or sympathy for people and animals, especially for those suffering or distressed.

**Anti-Discrimination** means not distinguishing differences between things and or treating someone as inferior based on their race, sex, nationality, age, religion, ability or any other characteristic.

**Anti-Money Laundering** means a range of control measures to detect and deter a wide range of criminal activities – such as theft, tax evasion, drug trafficking, human trafficking, illegal arms sales, bribery and corruption, and embezzlement – which generate proceeds that criminals need to “launder” to then use for other criminal activities.

**Counter-Terrorism Financing** means a range of control measures to detect and deter the use of funds to fund terrorism, which involves actions or threats made to advance political, religious and/or ideological causes intended to coerce or intimidate governments and the public.

### *Conditions to prevail*

**3.2** These standard requirements will prevail to the extent of any conflict between them and the terms of any Contract, purchase order or other terms or other offer or acceptance by the supplier.

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## 4. Compliance with Applicable Banking Regulations and the Bank's Values

- 4.1** As applicable to the specific nature of the supply of goods and/or services to the Bank all suppliers are to:
- 4.1.1 Comply with, the 10 Principles of the UN Global Compact (Human Rights, Labour, Environment & Anti-Corruption) and the Global Alliance For Banking on Values Principles (social and environmental impact & sustainability, community, client relationships and long term self-sustainability and resilience).
  - 4.1.2 Comply with the requirements of the Bank's Environmentally Preferred Purchasing (EPP) Statement.
  - 4.1.3 Comply with all laws; in particular those relating to Modern Slavery, anti-discrimination, bribery, corruption, prohibited business practices, anti-money laundering and counter-terrorism financing.
  - 4.1.4 Notify in writing to the Bank if the companies' ownership structure includes any persons that are designated as Politically Exposed Persons (PEP) and any future changes to the companies' ownership structure that identifies an owner as a PEP.
  - 4.1.5 Notify in writing to the Bank if the company or its ownership structure includes any persons or business activities that are designated as Sanctioned Persons of Businesses (SPB) and any future changes to the companies' ownership structure that identifies an owner or business activity as an SPB.
  - 4.1.6 Take all reasonable steps to the extent required by the Bank to ensure the Bank's compliance with APRA Prudential Standard CPS231(Outsourcing), the Bank's procurement policies, APRA Prudential Standard CPS234 (Information Security) and the Bank's cyber security policies; and APRA Prudential Standard APS910 – Financial Claims Scheme.
  - 4.1.7 Take all reasonable steps required to not with any malice or ill intent or otherwise supply goods and/or services to the Bank that goes against any of the regulatory, policy or Bank values listed in this Code of Practice.
  - 4.1.8 Acknowledge the Bank's vision, goals and targets as set out in its Reconciliation Action Plan (RAP) for use of indigenous businesses where suitable.
  - 4.1.9 Act in an ethical, fair and professional manner in all discussions and negotiations with the Bank and its associated agencies, consultants and contractors.
  - 4.1.10 Conduct themselves in an ethical and fair manner, free from bias, unfair advantage, or any other behaviour, which may cause the Bank financial loss or damage to reputation.
  - 4.1.11 Not engage in fraud, bribery or corrupt conduct.
  - 4.1.12 Comply with all local and national regulatory requirements with regard to bribery, corruption and prohibited business practices.
  - 4.1.13 Not offer or receive gifts, entertainment, or sponsored travel that could affect, or be perceived to affect, the outcome of business transactions or are not otherwise reasonable and justified.
  - 4.1.14 Not publicly disclose their supply association with the Bank in any form without express written permission from an authorised Bank representative.
  - 4.1.15 Not use any Bank image or brand elements without the express written permission from an authorized Bank representative and then strictly in accordance with any conditions specified by the Bank.
  - 4.1.16 Not associate with criminal organizations or criminal activity, whether implied or specific.

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4.1.17 Not disclose or release any Bank proprietary information to any third party, particularly where that information may provide an actual or perceived competitive advantage or market knowledge.

4.1.18 Not engage in trade activities or include in the supply chain any goods or services sourced from sanctioned persons, countries or organisations in accordance with current UN Security Council sanctions, US Sanctions and any local or regional sanctions as mandated by the Government for the relevant jurisdiction.

*Soft copies of any of the above listed documents are available from the Bank upon request.*

4.2 The Bank will use all reasonable endeavours to ensure that suppliers of goods and services to our businesses comply with this Code. We reserve the right to verify compliance with this Code and expect our suppliers to cooperate and provide supporting evidence as we may reasonably require. This may involve self-assessment by suppliers, requests for further information, site visits or audits by our agents or us.

4.3 We expect our suppliers to share our commitment to adopting a fair, safe, responsible and ethical approach to business.

4.4 Our suppliers, whether directly or through their supply chain, are therefore required to comply with all applicable laws and in all cases to adhere to the principles detailed in this Code as a condition of doing business with the Bank.

4.5 We expect our suppliers to provide influence and guidance within their own supply chain and related third parties to adopt a fair, safe and ethical approach to business, and to demonstrate compliance with this Code.

4.6 Our suppliers must monitor their compliance, notify us of any breaches and take reasonable steps to address, remedy and prevent repetition of any breach of this Code.

## 5. Raising a Concern (Whistleblowing)

5.1 The Bank expects its suppliers to help our business succeed and to promote our values and high professional standards. To help meet this expectation, the Bank is committed to fostering an environment where our suppliers and sub-contractors can raise concerns about any actual or suspected breach of this Code.

5.2 Suppliers, their employees and sub-contractors can raise concerns with:

- Their supplier relationship point of contact at the Bank, or
- Via email to: P&I@bankaust.com.au, or
- In the event that an employee or contractor does not feel comfortable doing this, a disclosure may be made to an independent third party via the Australian Prudential Regulation Authority (APRA) PID@apra.gov.au

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## Contact us

If you require assistance, or would like to know more please contact us anytime



[bankaust.com.au](http://bankaust.com.au) | 132 888

