

**Supplier Conduct Principles Agreement (“Principles”)**

The Salvation Army’s policy is to seek to purchase goods and services which uphold and meet the standards of the Ethical Trade Initiative Base Code, the United Nations Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Bill of Human Rights and the International Labour Organisation (ILO) Core Conventions. We expect our suppliers to strive to achieve the highest standards of business conduct, working conditions and environmental management internally and throughout their supply chains. This letter confirms that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Supplier”) agrees to comply with these Principles and will use its best endeavours to ensure that they are also followed throughout its entire supply chain.

The Supplier acknowledges that any failure by the Supplier or within its supply chain to comply with these Principles shall give The Salvation Army the right to terminate any contracts in place between The Salvation Army and the Supplier without charge or penalty and in accordance with the terms of the applicable contract.

Forced or Involuntary Labour

The Supplier shall not and shall ensure that its subcontractors and agents do not or any of its Suppliers (including third-party recruitment agencies) will not use forced or involuntary labour of any type (e.g. forced, bonded, indentured or involuntary prison labour). The Supplier will ensure that workers shall not be required to lodge deposits of money, identity papers or similar in order to get or keep their employment and that that the relationship between the worker and the Supplier is freely chosen and free from threats.

Human trafficking and modern slavery

The Supplier shall comply with and shall ensure that its subcontractors and agents comply with the Modern Slavery Act 2015 and will ensure that it implements due diligence procedures for its own suppliers, agents, subcontractors and other participants in its supply chain, to ensure there is no slavery or human trafficking. The Supplier will immediately notify The Salvation Army in writing if it becomes aware of any actual or suspected slavery or human trafficking in its supply chain.

Child Labour

The Supplier shall not, and shall ensure that its subcontractors and agents do not, use child labour and will ensure that child labour is not used in its supply chain. The term “child” refers to any person employed under the age for completing compulsory education, or under the minimum age for employment in the applicable country, whichever is the greatest. The Salvation Army supports the use of legitimate workplace apprenticeship programs which comply with all laws and regulations applicable to such apprenticeship programs in the relevant country.

The Supplier may employ juveniles who are older than the applicable legal minimum age but are younger than 18 years of age, provided they do not perform work that might jeopardise their health, safety or expose them to physical, psychological or sexual abuse. If any child is found working at the premises of the Supplier or within its supply chain, the Supplier shall immediately take such lawful steps as are in the best interests of the child to redress the situation.

Non-Discrimination Harassment

The Supplier shall not, and shall ensure that its subcontractors and agents do not, directly or indirectly discriminate in hiring or in any employment practices, on grounds of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, gender identity, belief or expression, marital status, pregnancy, disability, political affiliation or trade union membership.

Prevention of Harassment and Abuse

The Supplier shall ensure that all of its workers are treated with respect and dignity and work in an environment that is free from harassment. The Supplier shall prevent and refuse to tolerate any unacceptable or degrading treatment, including mental cruelty, sexual harassment or discriminative gestures, language or physical contact.

Freedom of Association and Collective Bargaining

The Supplier shall respect the legal rights of workers to join (or to refrain from joining) worker organisations, including trade unions and to bargain collectively. Workers shall be able to communicate openly with management regarding working conditions or grievances without the threat of discrimination, reprisal, harassment or intimidation.

Wages and Benefits

The Supplier shall and shall ensure that its subcontractors and agents and its supply chain, as a minimum, comply with all applicable wage laws and regulations, including those in any relevant jurisdiction and relating to minimum wages; working time, overtime hours, other elements of compensation, and provide all legally mandated benefits in the relevant jurisdiction. The basis on which workers are being paid will be clearly conveyed to them and accurate wages shall be paid in a timely manner. Wage deductions shall not be used as a disciplinary measure.

Working Hours

The Supplier shall and shall ensure that its subcontractors, agents and its supply chain abide by local work hours and not require workers to work more than 60 hours per week, including overtime and shall take at least one day off every seven days except in emergencies (with their consent).

Health and Safety

The Supplier shall and shall ensure that its subcontractors and agents provide their workers with and the Supplier shall ensure that workers throughout its entire supply chain are also provided with a safe and healthy workplace (including any provided living accommodation) in compliance with all applicable laws, regulations and internationally recognised standards.

Consistent with these obligations, the Supplier must have and implement effective programs that encompass life safety, incident investigation, tracking and corrective action plans (including near misses), chemical safety, ergonomics, emergency prevention, safety equipment, preparedness and response and regularly update these policies, as well as have a health and safety committee responsible for such matters. Workers shall have the right to refuse unsafe work and to report unhealthy working conditions and shall be provided with appropriate and regular training on health and safety issues in their primary language. Health and safety related information shall be clearly posted in the all of the Supplier’s facilities.

Working and Living Conditions

The Supplier shall and shall ensure that its subcontractors and agents do provide working and living conditions which are clean, safe and meet the needs of the workers, and, where appropriate, for their families, including but not limited to clean toilet facilities and potable water and that this standard is met throughout its supply chain. Any food preparation, storage and dining facilities provided by the half Supplier shall be sanitary, hygienic and any accommodation whether provided directly or by a third party shall be clean, safe and provide reasonable living space.

Protection of the Environment

The Supplier shall and shall ensure that its subcontractors and agents operate (and ensure all parties in its supply chain operate) in a manner that is protective of the environment. As a minimum this will involve complying with all applicable local and international environmental laws, regulations and standards. Such requirements shall include the management, recycling, treatment, reduction and responsible disposal of; hazardous and non-hazardous chemicals, waste and industrial wastewater, storm water management, air emissions controls, boundary noise, environmental permits and environmental reporting. The Supplier must also comply with any additional environmental requirements specific to the products or services which the Supplier is providing to The Salvation Army.

Over and above compliance with minimum legal requirements the Supplier shall strive to continually improve its environmental performance by conserving energy and natural resources where possible, promoting the use of recycling and life cycle analysis, minimising and reducing any adverse impacts, it or its supply chain may have on the environment and where possible encourage the development and diffusion of environmentally friendly processes and technologies.

Laws, Regulations and Other Legal Requirements

The Supplier shall comply with all applicable laws and regulations in all locations where the Supplier conducts business. Where these principles and the laws and regulations address the same issue, the highest standard(s) shall be applied. If any of these principles conflict with applicable local laws then highest standards consistent with applicable local laws shall be applied.

Ethical Business Practices and Dealings

The Supplier shall observe the highest ethical principles and will ensure that it and its workers are familiar with and comply with all local and international laws and regulations, including but not limited to; anti-bribery, anti-corruption, competition, prevention and detection of fraud and money-laundering, the disclosure of information and prohibited business practices. Irrespective of its geographical base, the Supplier shall comply with the Bribery Act 2010.

The Supplier and the Supplier’s subsidiaries, agents and affiliates will not offer, promise, make or agree to make any payments or gifts (of money or anything of value) directly or indirectly to anyone for the purpose of influencing, or inducing anyone to influence decisions in favour of any party. The Supplier shall and shall ensure that its subcontractors and agents provide an anonymous whistle-blower complaint mechanism for managers and workers to report workplace grievances and shall protect their confidentiality.

The Supplier shall exercise due diligence, in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas throughout its entire supply chain.

The Supplier is also encouraged to help foster shared understanding and social and economic development through community engagement.

Business Behaviour

The conduct of the Supplier should not violate or threaten to violate the basic rights of The Salvation Army’s intended beneficiaries or impugn or threaten to impugn the goodwill and reputation of the Salvation Army. The Supplier, its parent company or any company in its group, should not be involved in any of the following activities: arms manufacture, the sale or export of arms to governments which systematically violate the human rights of their citizens, or where there is internal armed conflict or major tensions, or where the sale of arms may jeopardise regional peace and security, trade or dealings with organisations, individuals or countries prohibited by embargoes and sanctions of the United Nations, European Union and Organisation for Security and Cooperation in Europe, the sale of baby milks outside the WHO Code of Conduct, Pesticide sales outside the FAO guidelines for pesticide retailing, production or publication or broadcast of adult entertainment or any other activities which violate the basic rights of The Salvation Army’s intended beneficiaries.

Communications

The Supplier shall make these Principles available able to workers in the native language of the employment and of its suppliers and agents. The Supplier shall have a process for communicating clear and accurate information about its performance, practices, policies, and expectations to its workers, suppliers, customers, contractors and affected stakeholders and for obtaining feedback from them.

Payment of Tax – The Supplier will pay all relevant taxes within the jurisdictions that it operates and not evade or aggressively avoid any taxes due.

Monitoring / Record Keeping

The Supplier shall maintain documentation necessary to demonstrate compliance with these Supplier Conduct Principles and must provide The Salvation Army with access to that documentation upon request. The Salvation Army may monitor compliance through a systematic, risk-based approach which may include both announced and unannounced site visits.

Continuous Improvement and Management Systems

Whilst following these Principles the Supplier is expected to strive to continually improve its performance and that of its employees by setting performance objectives, training and implementation plans and taking any necessary corrective actions identified by internal or external audits, assessments, inspections, and management and other regular reviews.

The Supplier shall use management systems to facilitate the compliance with these Principles and continual improvement. These will involve the commitment and accountability of senior members of staff and mechanisms to determine and manage risks in all areas addressed by these Principles.

Supplier’s Contractors and Agents:

The Supplier must contractually obligate all of its direct and indirect suppliers, contractors and agents at every level of the supply chain engaged in the production of goods and services for The Salvation Army to comply fully with these Principles and to regularly review and update such compliance. The Supplier agrees that failure of any of Supplier’s direct suppliers, indirect suppliers, agents or lower tier suppliers to comply with these Principles will constitute a failure of the Supplier to comply.

These obligations are hereby incorporated into each agreement that The Salvation Army has with the Supplier under which it procures or may procure products and, or services from the Supplier. The Supplier will immediately notify The Salvation Army in writing if it becomes aware of any actual or suspected breaches within its organisation or of its supply chain of any of these Principles.

Signed for and on behalf of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Supplier”)

Supplier Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Job Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_