

## **NDB Sustainable Supply Chain Management (NSSCM)**

### **Pat 1 - Code of Conduct**

NSSCM addresses legislative requirements and responsible business practices across the following areas:

- 1) Labour and workplace management** - employee working conditions and human rights
- 2) Occupational health and safety** - providing a safe working environment
- 3) Risk management** - providing business continuity and protecting employees and the local community
- 4) The environment** - awareness and management of material environmental issues
- 5) Corporate governance and ethics** - standards of practice and appropriate transparency
- 6) Supply chain** - management of the suppliers' own suppliers
- 7) Community engagement** - considering local issues and needs.

#### **1. Labour/workplace management**

Commitment to human rights and fair employment practices in accordance with existing local standards and international standards such as the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the ILO Declaration on Fundamental Rights at Work, the UN Convention on the Rights of the Child and UNIFEM Women's Empowerment Principles.

##### **At a minimum:**

- 1.1 The supplier must comply with all relevant local and national laws and regulations with regard to employment practices, benefits, health and safety and anti-discrimination.
- 1.2 The supplier must have written labour/workplace management policies and standards.
- 1.3 The supplier must strive to provide a workplace free of direct or indirect discrimination, harassment or bullying on the grounds of gender, age, race, nationality or ethnic origin, disability, family responsibilities or parental status, marital status, the occupation of spouse or partner, medical or irrelevant criminal record, political convictions, pregnancy or potential pregnancy, religious beliefs or activities, sexual preference or sexuality, industrial activity or union membership, physical appearance, social origin or carer's responsibilities.
- 1.4 The supplier will not use child, forced or involuntary labour in any form.
- 1.5 The supplier must be committed to the provision of training and development for employees.
- 1.6 The supplier must provide fair pay and working conditions, including adequate rest periods and parental leave, and match prevailing working conditions.
- 1.7 The supplier will give consideration to the needs of, risks to and requests made by employees, as a stakeholder in the operation of the business.

#### **2. Occupational health and safety**

Commitment to maintain and improve the work environment so that it is safe and healthy for all staff, contractors and visitors, with policies and programs that go beyond legislated requirements.

##### **At a minimum:**

- 2.1 The supplier must comply with all relevant local and national laws and regulations with regard to occupational health and safety and the provision of health related benefits to employees.

- 2.2 The supplier must have written safety and health policies and standards.
- 2.3 The supplier must have a documented system to identify and reduce work-related injury and illness.

### **3. Risk management**

Robust and documented risk management framework which incorporates social, ethical and environmental risks into their risk management processes.

#### **At a minimum:**

- 3.1 The supplier must have a written business continuity plan (BCP), to minimise business impacts in the event of major disruption, which is integrated across business units and regularly tested.
- 3.2 The supplier must have a written emergency response plan (ERP), to minimise harm to employees, the local community and local environment in the event of a site disaster, which is integrated across business units and regularly tested.

### **4. Environment**

Provide products or services to NDB and to conduct their business operations in a way that protects and sustains the environment.

Set environmental targets, report publicly on environmental indicators, and conduct independent audits against appropriate standards or certification schemes.

Take responsibility for the products, processes and services throughout their lifecycle, including product stewardship and extended product responsibility.

Offer products and services with an improved environmental impact, or willing to develop products and services with an improved environmental impact.

#### **At a minimum:**

- 4.1 The supplier must comply with all relevant local and national laws and regulations with regard to land and water management, waste and recycling, the handling and disposal of toxic substances, discharges and emissions, noise, transportation of products, wastes and materials, material selection, environmental issues management and community consultation. This includes environmental permits/licenses and reporting requirements.
- 4.2 The supplier must have a written environment policy.
- 4.3 The supplier must have a written environmental management plan to identify and minimise the impact of their activities on the environment.

### **5. Corporate governance and ethics**

Demonstrate a commitment to take account of their own responsibilities with an overall philosophy, approach and policies complementary to those of NDB.

Establish management systems (policies, plans, accounting and reporting mechanisms, and performance measures) which provide for compliance assurance and continual improvement, have an Employee Code of Conduct, and report externally on social, ethical and environmental performance.

**At a minimum:**

- 5.1 The supplier must strictly comply with all local and national laws and regulations on bribery, corruption and prohibited business practices.
- 5.2 The supplier must conduct their business in accordance with high ethical standards.
- 5.3 The supplier must provide a formal complaints management process for employees, suppliers and members of the communities in which they operate or provide services to.
- 5.4 The supplier must have effective and transparent allocation of responsibilities between Board and management, where an applicable organisational structure exists.
- 5.5 The supplier must promote timely and balanced disclosure of material matters concerning services provided by the company to NDB.

**6. Supply chain**

Set out social, ethical and environmental objectives and/or targets for suppliers, and screen and monitor suppliers on this basis.

**At a minimum:**

- 6.1 The supplier must adopt similar principles to these in dealing with their own key suppliers, such as high spend, strategic and high risk suppliers.
- 6.2 The supplier must adhere to acceptable business practices with their own suppliers, including providing for timely payment and reasonable contractual conditions.

**7. Community Engagement**

Every company has a responsibility to the local communities on which they have an impact and from which they profit. They need to understand the issues facing the communities in which they operate, and endeavour to conduct business in a way that builds social capital, and achieves a positive impact. They should engage with community stakeholders and long term strategic involvement in community partnerships to address key social issues.

**Nothing in this code limits a supplier's obligations under the terms of their contract with NDB.**

**It is the supplier's responsibility to achieve and maintain these minimum standards, and train employees on their consequential rights and obligations.**

**Declaration of Liability Regarding Compliance with the NSSCM Code of Conduct**

We, the undersigned hereby confirm:

- That we have received and taken due note of the NSSCM Code of Conduct of October 2013 and the NSSCM Sustainability Checklist
- That we are aware of all relevant laws and regulations of the country and localities in which our company operates.
- That we will inform NDB in case of conflict between provisions of the NSSCM Code of Conduct and any applicable laws or regulations in our area of operation.
- That we will observe and conform to the NSSCM Code of Conduct in its entirety based on a development oriented approach and without amendment or abrogation.

- That we will inform all of our subcontractors of the contents and requirements of the NSSCM Code of Conduct, and that we will ensure that they also comply with the provisions incorporated therein.
- That NDB and any organisations acting on its behalf may carry out audits with or without notice at our business premises and the business premises of our subcontractors at any time.

Furthermore:

- We agree to carry out a self-assessment of our social performance, and that of our subcontractors upon the request of NDB and to submit the details of these assessments to NDB, for evaluation. This will take the form of a completed NSSCM self-assessment questionnaire.
- We shall notify NDB of the location of all business premises used for the production of goods and / or delivery of services for NDB. We guarantee that the production of goods and / or delivery of services for NDB are carried out exclusively at the locations we have indicated. We understand that failure to inform NDB of the location where work for its products and / or services are carried out is adequate justification for the immediate and unconditional termination of all business and contractual relationships.
- We will use the NSSCM Code of Conduct exclusively for purposes relating to business and monitoring activities of the NSSCM and NDB. We will not allow any third parties not involved in the NSSCM compliance/monitoring process to have access to this manual.

Name of Company: .....	
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Address: .....	
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.....	.....
Authorised Signatory/ies	Authorised Signatory/ies
Name: .....	Name: .....
Date : .....	Date : .....
Company Stamp/Seal	

This document must be signed by a duly authorised representative of the company and returned to NDB.