

Supplier Code of Conduct

Requirements for all suppliers to Sopra Steria Ltd.

Updated October 2018

1. Introduction

Sopra Steria, a European leader in digital transformation, provides one of the most comprehensive portfolios of end-to-end service offerings on the market: consulting, systems integration, software development, infrastructure management and business process services.

Sopra Steria is trusted by leading private and public-sector organisations to deliver successful transformation programmes that address their most complex and critical business challenges. Combining high quality and performance services, added value and innovation, Sopra Steria enables its clients to make the best use of digital technology.

1.1. Why is Supply Chain Sustainability so important to Sopra Steria?

Sopra Steria believes that long-term value comes from seeing success as a part of a bigger picture, encompassing people, the economy and the environment. We believe that by incorporating good principles and recognized standards of economic, social and environmental sustainability into all aspects of our business, we will create more value for our customers, be a part of more sustainable economies and communities, have more engaged employees, forge better relationships with other stakeholders, including partners and suppliers, and differentiate our business. Our procurement and supply chain management practices play an integral part in helping us achieve our sustainable business goals. We recognise that the sustainability risks and opportunities in our supply chain are significant, and so we assess its sustainability and commit ourselves to working in partnership with our suppliers to improve their sustainability.

1.2. What do we expect of our suppliers?

Based on this commitment to sustainability, Sopra Steria has developed this Code of Conduct for suppliers ("The Code"). It is applicable to all organisations with which Sopra Steria Limited has commercial dealings.

Our minimum expectations of all suppliers are outlined here, and in our standard supplier terms and conditions (available [on our website](#)). However, recognising the importance of continual improvement to successful business, and that many of our key stakeholders expect us to strive for excellence in sustainability, we have also defined standards that we expect our suppliers to be working towards, if they have not already achieved them. This Code sets out both the minimum expectations and the higher standards that we desire.

Sopra Steria will review this Code periodically and make revisions when needed; we will expect suppliers to adopt them. The most up-to-date code can be found on our [Working with Suppliers pages of our website](#).



2. Monitoring

Suppliers that Sopra Steria determines meet a certain level of sustainability risk or opportunity will be required to participate in Sopra Steria's Supplier Sustainability Engagement programme, which will at minimum involve, unless otherwise agreed by Sopra Steria in writing, the supplier:

- Completing Sopra Steria's supplier sustainability self-assessment annually: suppliers will be required to complete a sustainability self-assessment, answering questions and providing documentary evidence about its approach to managing economic, social and environmental sustainability. The self-assessment process takes place via an online portal or a form sent by Sopra Steria to the supplier, at Sopra Steria's discretion. The supplier will get a score and report including recommendations from sustainability experts after the assessment is completed.
- Participating in at least one sustainability review meeting per year to review the results of the self-assessment.
- Providing other information related to this Code of Conduct, Sopra Steria's standard terms and conditions, and sustainability-related requests from our customers, as reasonably requested.
- Committing to an action plan that improves the supplier's sustainability over an agreed period of time.

Sopra Steria also reserves the right to review our suppliers' policies, procedures or any other document relevant to this Code of Conduct. In some cases, we may require an off-site or on-site audit to ensure a supplier's adherence to this Code.

Suppliers with whom Sopra Steria has regular and recurring dealings should have management processes in place to ensure compliance with this Code. Furthermore, we expect suppliers to make reasonable efforts to monitor the compliance of their supply chain with the aims of this Code. Suppliers must ensure that their systems and procedures are sufficient to mitigate any potential threat to Sopra Steria's brand and reputation.

3. Compliance

To comply fully, a supplier must meet all the minimum provisions of the Code. The term "must" indicates a minimum provision, which is a requirement. The term "should" indicates requirements that are considered best practice. Suppliers should be working towards compliance with requirements marked "should".

At all times, our goal is to work with our supply partners on sustainability. We always aim to engage with our suppliers in sustainability. When we find that a supplier does not comply with the Code (i.e. does not meet the minimum requirements indicated by the term "must" in Section 4), Sopra Steria will expect that supplier to work with us on an improvement



plan that addresses the areas of non-compliance. However, if the shortcomings are serious enough or cannot be resolved within 12 months, Sopra Steria may review the terms of the contract, reduce our orders or, as a last resort, cancel the contract.

We will use supplier conformance with this Code of Conduct, achievement levels in the supplier sustainability self-assessment, and evidence of the supplier's participation in sustainability meetings with Sopra Steria to make decisions between suppliers in commercial competition, especially where we are working with customers who have strong sustainability programmes.

4. Requirements

4.1. Economic sustainability

Economic sustainability focuses on generating profits, bringing economic benefit to the workers, investors and communities in which a company operates, and operating ethically. Sopra Steria believes that commercial transactions should benefit all parties economically and that relationships should be based on the principle of fair and honest dealings.

- 1) Suppliers **must** comply with all applicable laws, statutes, regulations and codes relating to anti-bribery, anti-facilitation of tax evasion and anti-corruption.
- 2) Suppliers **must** embed basic ethical business principles in a Code of Ethics or a similar policy, including such items as adherence to local laws and a stand against money laundering, bribery and corruption.
- 3) Suppliers **must** pay their workers, whether employees or contractors, at least the national minimum wage in all geographies of operation, and in the UK the Living Wage as applicable, without any unauthorised deductions. If no national minimum wage is in place in a supplier's area of operation, the supplier must pay the local industry standard wage.
- 4) Suppliers **should** take steps to develop the skills of their workforces, for example by offering appropriate training and professional development opportunities.
- 5) Suppliers **should** have reasonable payment policies with their own suppliers and subcontractors, ideally 30-day payment terms and working towards Prompt Payment Code certification.
- 6) Suppliers **should** understand their impacts on the communities in which they operate and undertake initiatives to contribute positively to those communities.
- 7) Suppliers **should** take steps to understand the diversity of their supply chains and seek opportunities to make competition for their business more inclusive.
- 8) Suppliers **should** consider the principles of [Whole Life Costing](#) and [Lifecycle Analysis](#) in design, manufacture and recycling/disposal of their products and services.



4.2. Social sustainability

Sopra Steria expects its suppliers to respect the human and labour rights, and to protect the health, safety and wellbeing, of their workers (whether employees or contractors). We also expect suppliers to promote an equal and inclusive working environment, and one that seeks to reflect the diversity of the communities in which they operate.

- 1) Suppliers **must** ensure that neither they nor their suppliers use forced labour in their operations, and they **must** give workers, whether local or migrant, the right and the ability to leave employment when they choose.
- 2) Suppliers **must** have a policy, processes and procedures in place to prevent slavery and human trafficking in their operations and their supply chains.
- 3) Suppliers **must** ensure that neither they nor their suppliers use child labour and that their employment of young workers adheres to International Labour Organisation standards and local regulations.
- 4) Suppliers **must** ensure that working hours are in accordance with local regulation and industry practice and that voluntary overtime is at manageable levels.
- 5) Suppliers **must** treat all their employees fairly, and actively seek to prevent all forms of harassment and illegal discrimination, including direct discrimination, indirect discrimination, and instruction to discrimination, in their employment practices.
- 6) Suppliers **must** have policies, processes and monitoring mechanisms in place to address equality, diversity and inclusion – paying particular attention to the protected characteristics as defined by The Equality Act 2010.
- 7) Suppliers **must** not hinder the right of workers to organise legally and to join associations such as labour unions.
- 8) Suppliers **must** provide a safe work environment, abiding by local laws and regulations, and respecting the health and well-being of its workforce.
- 9) Suppliers **must** provide clear and uniformly applied disciplinary practices and grievance procedures that include provisions prohibiting mental, physical or verbal abuse.
- 10) Suppliers **should** measure and monitor the diversity of their workforce and seek to redress disparities, underrepresentation and inequalities, such as in recruitment, pay, promotion and other aspects of the employment lifecycle.
- 11) Suppliers **should** give employees a voice in the company, consulting with them on matters that affect them.
- 12) Suppliers **should** seek to increase the proportion of their expenditure with organisations that improve economic, social or environmental sustainability, for example through procurements from social enterprises or with fair trade purchases.



4.3. Environmental sustainability

The planet's resources are finite, and climate change, access to water and air pollution are issues that affect economies, communities and businesses. Sopra Steria therefore expects its suppliers to support sound environmental management principles:

- 1) Suppliers **must** have a written environmental policy appropriate to the size and nature of their operations that addresses raw material usage, greenhouse gas emissions, water, waste, energy and wood & paper management.
- 2) Suppliers **must** have an effective internal environmental management programme or system with staff adequately trained and responsible for managing the organisations environmental performance and able to communicate key environmental indicators.
- 3) Suppliers **must** abide by all legislation and regulations related to the protection of the environmental and the handling of dangerous and hazardous materials.
- 4) Suppliers **must** minimise their use of dangerous and/or hazardous materials, and make Material Safety Data Sheets available for all hazardous materials that they must use.
- 5) Supplier **must** demonstrate continual improvement in environmental sustainability, particularly by taking measures to reduce their energy and water consumption, greenhouse gas emissions, and waste generation.
- 6) Suppliers **should** have formal Environmental Management Systems certified to recognised standards such as ISO14001:2015.
- 7) Suppliers **should** work actively to improve the environment in the communities in which they operate and pursue initiatives to bring about such improvement.

5. Statement for SMEs

Small and medium-sized enterprises (SMEs) have a large collective impact on the environment, society and the economy. Sopra Steria understands that some aspects of sustainability can be daunting for smaller businesses. However, we have found that most of our SME partners understand the need for organisations of all sizes to contribute positively to sustainability, and that most of them are already working towards improving their own sustainability. We strongly encourage a proactive approach to sustainability by all of our partners. Therefore we require our SME partners to comply with at least the minimum standards laid out in this Code. To help them do this Sopra Steria will wherever possible offer our SME partners additional support and guidance for our SME partners to help them achieve compliance.

