

SUPPLIER - CODE OF CONDUCT



1. INTRODUCTION

The Supplier Code of Conduct sets out our expectations of suppliers, generally in terms of business practices, and specifically with regard to:

- ethical supply and people practices including diversity and inclusion,
- prevention of financial crime,
- environmental responsibility,
- data protection and information security,
- health and safety.

Wightlink procures goods and services from many suppliers, internationally, and the business recognises that each supplier may have their own standards and ambitions for the above.

We expect all our suppliers to meet the requirements set out in legislation, regulation, and good industry practice and to ensure that their suppliers do the same.

The Wightlink Supplier Code of Conduct sets out the commitments from the business and expectations of our suppliers, and the results we aim to achieve by working together.

Working together across our supply chains, we will encourage and enable sustainability and long-term positive impacts on the global community.

The Procurement Policy and Supplier Code of Conduct is reviewed periodically (annually as a minimum) and will be revised as necessary to ensure that this document helps us become a more sustainable business, delivering continuous improvement for our customers, our stakeholders and the communities in which we operate.

Changes to the Supplier Code of Conduct will be notified to all suppliers from time to time and all suppliers shall comply with new requirements that are relevant to their business, as soon as practicable.

GENERAL REQUIREMENTS

1 General requirements for all suppliers

- 1.1 Wightlink expects its suppliers to behave ethically, apply high standards of corporate conduct and to fully comply with all relevant law
- 1.2 Wightlink has a zero-tolerance approach to improper business conduct of any sort and all our suppliers are required to confirm that their business policies meet the standards set out in this Supplier Code of Conduct, as a minimum.

2 Ethical Supply – people practice

- 2.1 Suppliers shall respect the human rights of their employees, other personnel and local communities and shall comply with all relevant law pertaining to human rights.
- 2.2 Wightlink is taking steps to identify and eradicate modern slavery in its business and supply chain. Suppliers shall also take appropriate steps to identify and eradicate modern slavery, in all its forms, including slavery, servitude, forced and compulsory labour and human trafficking, whether of adults or children, all forms of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.
- 2.3 We are also committed to ensuring there is transparency in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same commitment from all our suppliers, and we expect that our suppliers will hold their own suppliers to the same high standards.
- 2.4 Suppliers shall implement appropriate due diligence practices and provide training to identify the risk of and/or actual instances of modern slavery.
- 2.5 Suppliers shall document all the steps taken to tackle modern slavery and shall, on request, provide a report to Wightlink setting out all policies and procedures implemented, including due diligence undertaken, risk areas identified, how risks have been mitigated, training provided and consequences for third parties of non-compliance.
- 2.6 All suppliers shall ensure that, within their own organisations and throughout the supply chain:
- 2.7 child labour shall not be used and relevant law pertaining to minimum working age legislation shall be strictly complied with;
- 2.8
 - (a) forced labour, in any form, shall not be used and supplier workers shall not be required to lodge papers or deposits on starting work; and
 - (b) physical abuse, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation or inhumane practice shall not take place, whether as part of a disciplinary process or otherwise, and shall be prohibited.
- 2.9 Wightlink is committed to a policy of equality opportunity in our employment practices in order to ensure that no job applicant, employee or any other individual is discriminated against and less fairly treated because of gender or marital status, race (including colour, castes, nationality

or ethnic origin), disability, religion, age, sexual orientation, union membership, political affiliation, being a member of a protected class under international human rights law or any other conditions not justified in relevant law or relevant to the performance of the job.

- 2.10** Wightlink is committed to creating an inclusive workplace where individuals can be themselves, irrespective of their gender, race (including colour, castes, nationality or ethnic origin), disability, religion, wage and sexual orientation. As such, we expect our suppliers to be committed to the same principles and require them to have policies in place to promote diversity within their own organisations and supply chain, including, but not limited to workplace standards such as the Disability Confident Scheme or equivalent. Further, we expect suppliers to agree to provide evidence of their commitment upon reasonable request.
- 2.11** All terms and conditions of employment must be made clear to the workforce in a manner which is easily understood by that workforce. The supplier shall ensure that:
- (a)** employee wages comply with relevant law pertaining to the minimum wage and that minimum wage or the prevailing industry wage (whichever is higher) shall be paid to workers as a minimum;
 - (b)** each employee shall be provided with all benefits under relevant law and no non-statutory deductions shall be made from wages;
 - (c)** the employment terms of young workers must adhere to International Labour Organisation Standards, the OECD Guidelines for Multinational Enterprises and relevant law;
 - (d)** relevant law pertaining to working time and the maximum hours of work permitted to be undertaken by any employee in any period of time, must be complied with, and any overtime shall be on a voluntary basis and at manageable levels;
 - (e)** all employees, whether local or migrant, have the right and ability to leave employment when they choose; and
 - (f)** obligations to direct employees under relevant law arising from regular employment shall not be avoided using labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.
- 2.12** Suppliers must provide workers with clear, fair and uniformly applied disciplinary practices and grievance procedures.
- 2.13** Supplier shall recognise the rights of workers to form or join trade unions which are free to meet without hindrance and to bargain collectively. Suppliers shall adopt an open attitude towards the activities of trade unions and where it is not practicable for unions to operate, recognise other means of association, such as Works Councils.
- 2.14** Training, including that required under relevant law and industry specific training (whether mandatory or best practice) shall be provided to workers and regular refresher training provided on a timely basis.
- 2.15** Suppliers shall provide sufficient evidence, promptly upon request from Wightlink, that they

have implemented appropriate procedures to manage all labour related issues within their supply chain to ensure that they comply with relevant law and this Code of Conduct.

- 2.16** Suppliers shall demonstrate, through supply chain transparency, that people are dealt with ethically and lawfully and that goods are traded fairly and meet the environmental aims detailed in this Code of Conduct.

3 Prevention of Financial Crime

- 3.1** In this section, Financial Crime shall include bribery, corruption, money laundering, terrorist financing, tax evasion and the failure to prevent the criminal facilitation of tax evasion.

- 3.2** Suppliers shall comply with all relevant law pertaining to Financial Crime and shall not do or omit to do anything which would cause Wightlink to be in breach of such relevant law.

- 3.3** Regarding anti-bribery and anti-corruption measures, suppliers shall put in place an appropriate policy and procedures which prohibit workers from:

- (a) the offering, giving, soliciting or receiving of a bribe at any time (including the making of facilitation payments or the bribery of public officials) whether for the benefit of the supplier or for the benefit of the worker, a member of the worker's family, friends, associates or acquaintances.
- (b) the use of a gift or hospitality to induce a fraud or other wrongdoing to secure a personal or business benefit;
- (c) the use of sponsorship or advertising agreements to exercise undue influence; or
- (d) unapproved or unauthorised charitable donations or political donations of any kind.

- 3.4** Regarding anti-money laundering and counter terrorist financing measures, suppliers shall put in place an appropriate policy and procedures which:

- (a) verify the legitimate origin of goods and services within their supply chain; and
- (b) verify the identity and the legitimate nature of the businesses with which the supplier contracts.

- 3.5** Regarding tax evasion, suppliers shall have adopted a tax strategy that demonstrates a willingness to pay the right amount of tax, in the right place at the right time.

- 3.6** Regarding measures to prevent the criminal facilitation of tax evasion, suppliers shall put in place an appropriate policy and procedures which:

- (a) regularly assess the opportunity, motive and means within their business for the criminal facilitation of tax evasion;
- (b) implement reasonable preventative measures by developing procedures that are appropriate to the mitigate the identified risks; and
- (c) effectively communicate the expectations of management, being that compliance with such policy and procedures is mandatory and that the business takes a zero-tolerance approach to any breach.

- 3.7 As part of the prevention, identification and detection of Financial Crime issues, suppliers shall implement mandatory training for workers, appropriate oversight, regular risk assessments, appropriate due diligence and procedural audits.
- 3.8 Suppliers shall encourage workers to promptly report to an appropriate senior manager if they know of or suspect any business activity that is in contravention of the supplier's Financial Crime procedures and shall implement disciplinary action for any worker failing to comply with such procedures.
- 3.9 Suppliers shall make sure that workers do not suffer any adverse consequences for making a report under the Financial Crime policies, whistleblowing or refusing to pay a bribe, even if such refusal may result in the supplier losing business.
- 3.10 The supplier shall keep sufficiently detailed records relating to the identification and prevention of Financial Crime and shall promptly notify Wightlink upon becoming aware of any instance or suspected instance of Financial Crime connected to the business relationship between Wightlink and the supplier.
- 3.11 Wightlink has a responsibility to detect and prevent Financial Crime, accordingly, suppliers shall comply with Wightlink procedures, relating to due diligence and the verification of the legitimate nature of:
- (a) supplier entities.
 - (b) payment processes and funding arrangements; and
 - (c) any other aspects of the goods and service provision by the supplier, as are notified to the supplier from time to time.

4 Environmental Responsibility

- 4.1 Suppliers shall comply with all relevant law pertaining to the environment and shall operate their business in an environmentally responsible way.
- 4.2 Suppliers shall take a proactive approach to working with Wightlink towards reducing our environmental impact.
- 4.3 Supplier shall:
- (a) adopt such practices and utilise such systems that minimise the use of resources e.g., water efficiency, energy efficiency;
 - (b) ensure that it and its suppliers use environmentally friendly working practices, tools and equipment, consumables and replacement parts, wherever possible;
 - (c) ensure where practicable that all consumables originate from a sustainable or recycled source;
 - (d) ensure there are facilities or arrangements in place, either directly or through its suppliers to ensure we can return used packaging for recycling, reuse or

environmentally friendly disposal; and

- (e) ensure that any hazardous or toxic waste that is produced must be properly identified and disposed of by licensed and competent bodies via authorised and/or licensed means.

4.4 Suppliers shall have a written environmental/sustainability policy appropriate to the size and nature of their operation which addresses preventing, mitigating and controlling serious environmental and health impacts from their operations. This policy will be:

- (a) reviewed annually;
- (b) signed and dated by senior management; and
- (c) provided to Wightlink on request.

4.5 Each supplier shall carry out annual reviews and audits of its environmental performance and the environmental performance of its suppliers and shall keep a record of all findings and any remedial action or improvements in processes or procedures that can be made to reduce any negative environmental impact. Such records shall be provided to Wightlink on request.

4.6 Each Supplier shall identify and make know to us, a senior manager within their organisation who shall have overall responsibility for the supplier's environmental performance.

4.7 Suppliers must have an effective internal environmental management program, with adequately trained staff, responsible for environmental impact control and collating and communicating data on key environmental indicators.

4.8 Suppliers shall be in possession of ISO 14001 accreditation or demonstrably working towards ISO 14001 accreditation throughout the contracting period with WIGHTLINK.

5 Data Protection and Information Security

5.1 Suppliers shall comply with all relevant law pertaining to data protection and shall not do or omit to do anything which would cause Wightlink to be in breach of such relevant law.

5.2 To the extent that the supplier will be processing personal data on behalf of Wightlink, it will do so only in accordance with the terms set out in the agreed contract.

5.3 Supplier will comply, to the extent relevant to its business and the provision of the services, with the information security requirements set out in the agreed contract

6 Health & Safety Code of Conduct

6.1 Wightlink acknowledges and accepts our responsibilities under relevant law for securing and maintaining high standards of health, safety and welfare for all who are directly employed or contracted to work on our Sites.

6.2 Wightlink requires that a safe and healthy workplace is provided for all supplier personnel and that of the Health and Safety at Work Act 1974 and all other relevant law pertaining to health and safety is always complied with.

6.3 Health and Safety in the workplace shall be the responsibility of a senior member of the supplier's management.