

# Supplier Code of Conduct



Know it.

Use it.

Live it.

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We will always respect you and protect you for having  
the courage to live Our Code

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# Welcome

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Every day you and I work for the good of our organisations. It isn't always easy – it isn't supposed to be – but it is rewarding work.

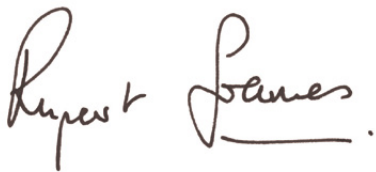
Sometimes we face challenging circumstances or difficult decisions. We need to recognise them and take appropriate action. Carefully. Wisely. Responsibly. Fully aware of the outcomes and consequences.

Serco's success and doing the right thing are one and the same. They will never be incompatible.

We see you, our suppliers, as an extension of our business so we expect the same from you.

In Serco's Supplier Code of Conduct you will find what you need to know to understand what we expect when you work for Serco. It hopefully covers most situations but if you are unsure then please seek guidance on what is right.

So please read our Supplier Code of Conduct closely and abide by it. You will have all my support if you do, and none if you do not.

A handwritten signature in black ink, reading 'Rupert Soames'.

**Rupert Soames**

Group Chief Executive  
Serco Group plc  
and proud of it



# 1. Introduction

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As we continually strive to deliver high performance for our clients, our company and our shareholders, Serco is committed to upholding the highest ethical and professional standards consistent with our Values and our Code of Conduct.

The relationship between Serco and its suppliers is an important component to achieving high performance in our business.

Our Serco Supplier Code of Conduct, which supplements our Serco Code of Conduct (available at [www.serco.com/codeofconduct](http://www.serco.com/codeofconduct)), sets forth the standards and practices that apply to all suppliers of Serco ("Serco Suppliers"), including all of the Serco Suppliers' facilities. Serco Suppliers must also operate in full compliance with all applicable laws and regulations of the countries in which they operate.

In selecting suppliers, Serco works hard to choose reputable business partners who are committed to ethical standards and business practices compatible with those of Serco.

This Code formalises Serco's practices and makes clear that, recognising differences in cultures and legal requirements, we expect that wherever our suppliers are located, producing products for us or delivering services for us, that they are produced and/or provided in a manner compatible with the high standards that contribute to the reputation of Serco.

Suppliers are required to comply with this Code and to have and maintain practices similar to those in Serco's Code of Conduct. Serco is committed to helping its suppliers comply with these standards. In turn, Serco expects its suppliers to apply these standards to the suppliers they work with in providing goods and services to the company.

Serco strongly encourages suppliers to exceed the requirements of this Code and promote best practices and continuous improvement throughout their operations. If there is no local legal requirement, or if a local legal requirement is not as strict as the requirement included in this Code, Serco Suppliers are required to follow this Code if they want to do business with Serco.

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Our Code promotes "doing the right thing" as well as "doing things right".

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## 2. Our People

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Our success is a reflection of our people and those we work with.

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Serco has a diverse workforce and supply base spanning more than 30 countries.

We all have different skills and capabilities and come from many cultures. This diversity has helped make the company what it is today and is important for shaping our future.

### 2.1 Fair Treatment and Equal Opportunity

We want Serco to be a place of mutual trust and respect, which embraces diversity and values everyone for their merits. A place where people's rights are honoured and they are treated fairly and consistently.

We expect our suppliers to do the same. Serco Suppliers must ensure employment – including hiring, payment, benefits, advancement, termination and retirement – is based on ability and not on beliefs or any other personal characteristics.

This includes discrimination based on sex, race, colour, national or ethnic origin, sexual orientation, gender identity or expression, religion, political beliefs, trade union activity, marital status, caring responsibilities, disability, age or citizenship.

Serco Suppliers should ensure women workers receive equal treatment in all aspects of employment. Pregnancy tests will not be a condition of employment and pregnancy testing – to the extent provided – will be voluntary and the option of the worker. In addition, workers will not be forced to use contraception.

### 2.2 Respectful Workplace

Every Serco employee has the right to respect and freedom from harassment. Violence at work is unacceptable, regardless of the reason. We will not tolerate harassment or violence against an employee. We equally expect our suppliers to provide the same commitment.

Serco Suppliers must treat all workers with respect and dignity. No work shall be subject to corporal punishment, physical, sexual, psychological or verbal harassment or abuse, nor is there to be the threat of any such treatment. In addition, Serco Suppliers will not use monetary fines as a disciplinary practice.

### 2.3 Human Rights

Respect for human rights is a fundamental part of how Serco does business and our Values.

Our commitment to respecting human rights acknowledges all internationally recognised Human Rights as outlined in the International Bill of Rights, including the United Nations Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Convention on Economic, Social and Cultural Rights and the ILO Declaration on Fundamental Rights and Principles at Work. That means wherever we work in the world, we will seek to respect and uphold the fundamental Human Rights and freedoms of everyone who works for us or with us, and of the people and communities we work among.

Serco Suppliers will identify, prevent or mitigate any adverse human rights impacts caused or contributed to by their operations to avoid any infringement on the rights of others and also identify impacts that are directly linked to their operations where they are acting for or in connection with our operations.

We expect our suppliers to share this commitment and specifically meet the following:



### 2.3.1 Child Labour

Serco does not use child labour and it expects its suppliers to do the same. We expect our suppliers to comply with local laws regarding the minimum age of employees. The minimum age for workers shall not be less than the age of completion of compulsory schooling, normally not less than 15 years or 14 where the local law of the country permits, deferring to the greatest age. In addition, Serco Suppliers must comply with all legal requirements for the work of authorised young workers, particularly those pertaining to hours of work, wages and safe working conditions.

Additionally, all young workers must be protected from performing any work that is likely to be hazardous or to interfere with their education or that may be harmful to their health, physical, mental, social, spiritual or moral development.

We encourage our suppliers to participate in legitimate workplace apprenticeship programmes that comply with applicable laws and regulations.

### 2.3.2 Forced Labour

In line with our own commitment Serco Suppliers must not use any type of involuntary or forced labour, including indentured, bonded, slave or human trafficked labour, and never engage in any form of procurement of commercial sex acts.

People must be free to terminate their employment in accordance with established laws, regulations, and rules.

Serco Suppliers should also not mandate that workers hand over government-issued identification, passports or work permits as a condition of employment.

Serco expects its suppliers to put in place adequate procedures to ensure that they are not directly or indirectly, through their supply chain, involved in any form of involuntary or forced labour.

### 2.3.3 Wage and Benefits

Serco Suppliers must pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid for overtime hours at such premium rate as is legally required or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate.

### 2.3.4 Working hours

Serco Suppliers must ensure that on a regularly scheduled basis, except in extraordinary business circumstances, workers are not required to work more than 60 hours a week, including overtime. Suppliers must ensure that all overtime work is voluntary and compensated at the prevailing overtime rates. In addition, except in extraordinary business circumstances, all workers are entitled to at least one day off in every seven day period.

### 2.3.5 Freedom of Association and Collective Bargaining

Serco recognises the importance of open communication and direct engagement between workers and management and expects its suppliers to do the same. Serco Suppliers are to respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal. We also expect our suppliers to recognise and respect any rights of workers to exercise lawful rights of free association, including joining or not joining any association of their choosing. Serco Suppliers also must respect any legal right of workers to bargain collectively.

## 3. Our Business

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Serco is committed to the highest standards of integrity, honesty, openness and professionalism in all its activities wherever they are undertaken, we respect local laws and do not engage in any form of corrupt practices, including extortion, fraud, or bribery, at a minimum.

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Serco supports the aims of global bodies such as the Organisation for Economic Co-operation and Development (OECD) to combat bribery and corruption.

We expect our suppliers to demonstrate a similar commitment by understanding and complying with all applicable laws. Our suppliers should inspire trust by taking responsibility, acting ethically and encouraging honest and open debate.

### 3.1 Bribery, Corruption and Facilitation Payments

Bribery is offering, providing or receiving something of value – including cash, gifts, hospitality or entertainment – as an inducement or reward for something improper. Usually, but not always, it's to obtain or retain business or some other illegitimate advantage. Bribes are against the law and against our code, no matter what the "local custom" may be.

A facilitation payment refers to the practice of paying a small sum of money to (usually) an official as a way of ensuring they perform their duty. UK legislation forbids facilitation payments anywhere in the world.

Corruption involves any of these activities: bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement and money laundering.

Engaging in bribery and corruption and making facilitation payments can seriously damage our reputation and business relationships.

We never offer, give or receive bribes or improper payments, or participate in any kind of corrupt activity, either directly or through any third party.

We expect our suppliers to apply the same stringent principles. Serco Suppliers should not engage in any form of commercial bribery or kick-back scheme. Suppliers acting on behalf of the company must comply with applicable anti-bribery laws as well as all local laws dealing with bribery of government officials.

In connection with any transaction related to the manufacture, distribution or delivery of goods or services to the company or that otherwise involves the company the supplier must not offer, promise, authorise, give, demand or accept any gift, loan, fee, reward or other advantage to or from any person as an inducement; to do something which is dishonest, illegal or a breach of trust; to obtain, retain or direct business; or to secure any other improper advantage.

Under these standards, improper payments include offers, promises, authorisations or payments of anything of value to expedite routine government actions.

We expect our suppliers to implement appropriate and adequate procedures for their employees to comply with applicable anti-corruption laws and these standards.

The help, advice and local knowledge of agents and other consultants or contractors can sometimes be essential. However, we require them to operate at all times in accordance with our standards, particularly in relation to bribery and corruption.

### 3.2 Gifts and Hospitality

Serco develops long-term business relationships based on trust and respect. Exchanging gifts and hospitality can build goodwill, but may, or may appear to, create improper influence. Any gift or hospitality we accept or give in connection with business should always be customary and reasonable in terms of value and frequency.

Serco Suppliers should not provide any gift, meal or entertainment to a company employee in any situation in which it might influence or appear to influence any employee decision in relation to the supplier. In other situations, suppliers may provide modest gifts, meals or entertainment to company employees if they are:

- not cash or cash equivalent
- consistent with customary business practice and supplier company policy
- not frequent or expensive
- do not violate any law.

Equally we do not want our suppliers to be influenced or pressurised in turn through the acceptance of inappropriate gifts or hospitality. If someone tries to do this to you, always tell us.

We require our staff to record gifts and hospitality given or received by them.

### 3.3 Conflicts of Interest

Conflicts of interest run counter to the fair treatment we expect. They can also break the law and seriously damage our integrity and reputation.

A conflict of interest occurs when your private interests interfere, or appear to interfere, with the best interest of Serco.

Serco Suppliers should avoid any interaction with any Serco employee that may conflict or appear to conflict with that employee acting in the best interests of Serco. By way of example, suppliers should not employ or otherwise make payments to any Serco employee during the course of any transaction between the supplier and Serco (other than pursuant to the company contract). If a supplier employee is a family relation to any Serco employee or if a supplier has any other relationship with a Serco employee that might represent a conflict of interest, the supplier should disclose this fact to the company or ensure that the Serco employee does so.

Suppliers must also make Serco aware of any Organisational Conflicts of Interest that could prohibit Serco from pursuing future work with the same client.

## 3. Our Business continued

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### 3.4 Competition and Anti-Trust

Competition and anti-trust laws prohibit a variety of business practices that restrict free and fair competition, such as bid rigging, price fixing, cover pricing or market sharing. Violations of such laws are very serious, and can result in significant fines and other penalties, including debarment. Individuals can face prison.

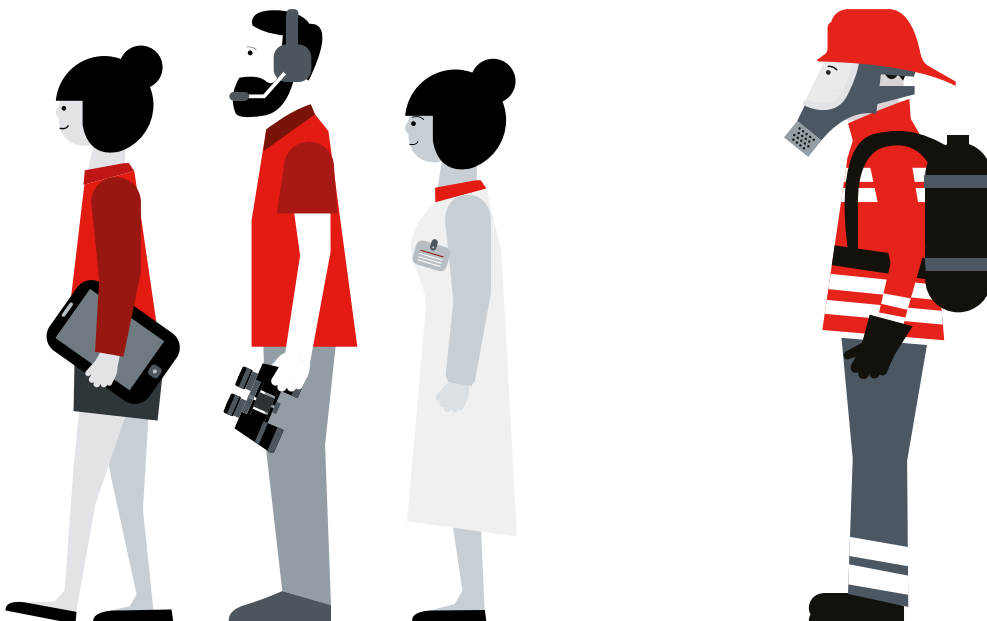
We are committed to free and open competition in our markets. We compete fairly and ethically, and support laws that promote and protect competition. The decisions we make about pricing, customers, bids and markets are taken by us alone.

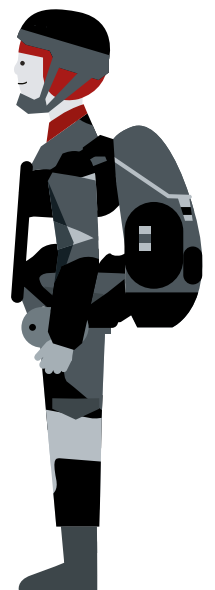
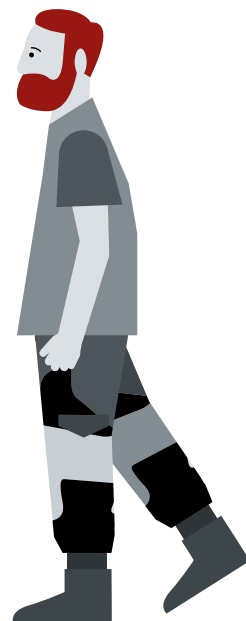
We expect that when our suppliers are preparing proposals, bids or undertaking contract negotiations for Serco and our clients they are certain that all statements, communications and representations are accurate and truthful. Equally, Serco Suppliers who serve us across national borders will understand and comply with all applicable export laws and regulations.

Our suppliers will not share with us information they receive from or about our competitors or their bids, or the bids they are making to our competitors.

You should always report anti-competitive behaviour if you see it or suspect it.

Our suppliers should inspire trust by taking responsibility, acting ethically and encouraging honest and open debate.





## 4. Our World

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Our vision is zero harm.

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We recognise Serco's impact on society, the economy and the planet, and aim to make a positive difference. This is embedded in the way we do business. We are committed to maintaining a safe, healthy and sustainable working environment, with a vision of zero harm. Everyone in Serco is responsible for making this a reality and we look to our suppliers to help us deliver this commitment.

### 4.1 Health and Safety

Our vision is zero harm. Our work is never so urgent that we cannot take time to do it safely.

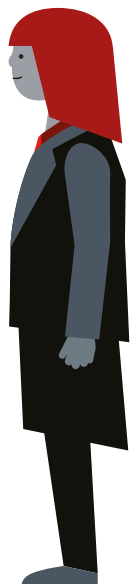
We therefore require Serco Suppliers to provide workers a clean, safe and healthy work environment in compliance with all legally mandated standards for workplace health and safety in the countries in which they operate. This includes any residential facilities a Serco Supplier provides to its workers.

We require everyone who works for or with us to understand the health and safety risks of their activities and apply good health and safety management systems, training and practices in all they do. They should also take the necessary precautions to protect everyone from workplace injuries and occupational disease.

### 4.2 Environment

We work with our stakeholders to continuously assess and reduce our environmental impact. We aim to prevent environmental damage and minimise our use of energy and resources.

Serco Suppliers must comply with all local environmental laws applicable to the workplace, the products produced, and the methods of manufacture. Additionally, Serco Suppliers must not use materials that are considered harmful to the environment, but should encourage the use of processes and materials that support sustainability of the environment throughout their supply chain



### 4.3 Community Engagement

Being a good corporate citizen is central to the way we do business. Supporting the community brings real benefits to our customers, our shareholders and our people.

We support and contribute to the social and economic wellbeing of the communities we work in. We listen to the concerns of local communities and wherever we can act to mitigate them to the very best of our powers.

We respect the traditions, cultures and laws of the countries in which we operate and seek to employ local people on our projects wherever possible. Serco recognises that small firms, voluntary and community organisations, social enterprises and ethnic-minority businesses are important members of our supply chain. They contribute to local economies and to social cohesion.

We look to our suppliers to hold similar views and expect you to join us in these commitments when we work together.



## 5. Our Assets

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Serco is committed to being a sustainable and reputable business. Our physical and intangible assets – including money, property, time and information – are key to achieving this. How we use and protect our assets has a strong bearing on how we perform and how well prepared we are for the challenges we will face. Our suppliers can play an important part in this.

The services we provide are wholly dependent upon our human, information and physical assets and resources.

### 5.1 Financial Integrity

Serco is committed to being a sustainable and reputable business. Our physical and intangible assets – including money, property, time and information – are key to achieving this.

How we use and protect our assets has a strong bearing on how we perform and how well prepared we are for the challenges we will face. Our suppliers can play an important part in this.

### 5.2 Fraud and Tax Evasion

Our policies are clear, no employee will engage in any activity that is designed, or can be reasonably construed, to perpetuate a fraud or evade taxes. We expect our suppliers to meet these same standards.

Fraud is a criminal offence in most countries. Whilst its definition varies across these countries, fraud always involves deception and dishonesty. It's fraud when you deliberately try to deceive someone, act dishonestly or abuse your position to gain any kind of material advantage, or use or involve anyone else to do so. Fraud is usually carried out for profit, or to obtain money, property or services unjustly. It can involve defrauding the company or a third party.

Serco Suppliers will never knowingly seek to gain any advantage of any kind by acting fraudulently, deceiving people or making false claims, or allow anyone else to do so on your or our behalf. This includes:

- defrauding or stealing from the company, a customer or any third party
- any kind of misappropriation of property
- any kind of misreporting of time or expenses
- tax evasion or deliberately or dishonestly taking action to help someone else to evade tax
- money laundering.

Always act honestly, fairly and openly, carefully checking or inspecting things that you are responsible for.



## 5.3 Confidential Information and Records

Information for us is confidential if it has value to Serco and is not publicly available. You might also obtain confidential information from our employees, customers, partners and others.

Serco employees and suppliers have a responsibility to keep confidential information safe and make sure it never gets into the wrong hands.

Serco Suppliers must take all due care in handling, discussing or transmitting sensitive or confidential information that could affect the company, its employees, its companies, the business community or the general public. Disclosure of financial information could influence the actions of shareholders and potential investors and possibly violate security law. Suppliers' responsibility to hold the company's confidential information as confidential is a continuing obligation even after their assignment or contract with Serco has ended.

If a Serco supplier believes that it has been given access to the company's confidential information in error they should immediately notify their contact at the company and refrain from further distribution.

To protect others confidential information, Serco Suppliers similarly should not disclose to anyone at Serco company information related to any other company if the supplier is under contractual or legal obligation not to share that information.

### Personal Information

Serco recognises its duty to respect personal information and ensure it is protected and handled responsibly and only used for the purposes for which it is provided.

Serco Suppliers must ensure that all personal information is controlled in accordance with, and their data and information systems comply with, applicable laws and regulations.

Serco expects its suppliers to manage personal information in accordance with the following Data Protection Principles. They will:

- Process personal information fairly and lawfully
- Obtain personal information only for specified, explicit and legitimate purposes
- Ensure personal information is adequate, relevant and not excessive
- Ensure personal information is accurate and, where necessary, kept up to date
- Not keep personal information for longer than is necessary
- Process personal information in accordance with rights of the individual
- Keep personal information secure
- Not transfer personal information unless there is adequate protection in place.

## 6. Communication, Monitoring and Compliance

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Serco Suppliers should communicate, through its existing ethical operating standards/practices or through this Code that its workers, supervisors and its permitted subcontractors are aware of the requirements detailed in this Supplier Code of Conduct.

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If you have any questions about this Code, ask us.

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Serco reserves the right to do such things as announced and unannounced inspections of facilities, to ensure compliance with this Code. Serco Suppliers must maintain at each facility all documents necessary to demonstrate compliance with the Code. Serco Suppliers must allow representatives from Serco and, if requested, Serco's customers, full access to facilities, documents, worker records and workers for confidential interviews in compliance with local laws.

Serco Suppliers are expected to take necessary corrective actions to promptly remedy any identified non-compliance. Serco reserves the right to terminate its business relationship with any Serco Supplier who is unwilling or unable to comply with this Code when termination is allowed by local laws.

We encourage Serco Suppliers to communicate to us any actions taken to improve its business practices and to send us suggestions about how Serco can best contribute to the implementation of the principles set out in this Supplier Code of Conduct.

Full details of Serco's Values, Code of Conduct, Policies and Standards are available on **[www.serco.com](http://www.serco.com)**.

If you have questions about our Supplier Code of Conduct, please contact Serco at **[suppliercode@serco.com](mailto:suppliercode@serco.com)**.



## 7. Raising Concerns

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Serco Suppliers who believe that a company employee or anyone acting on behalf of the company has engaged in a legal or otherwise improper conduct should report the matter to the company

Serco Suppliers similarly should report any potential violation of this Code. Reports may be made through the Serco Speak Up Line, full details of which are available in Serco's Code of Conduct available through **www.serco.com**.

Or you can report online by going to: **serco-speakup.com**.

You may also email **speakup@serco.com**.

A supplier's relationship with the company will not be affected by an honest report of potential misconduct.

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If you are aware of any violations of this Code you must report it.

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At Serco we're all responsible  
for knowing Our Code, using it  
– and living it.

**Serco Group plc**

Serco House  
16 Bartley Wood Business Park  
Bartley Way  
Hook  
Hampshire  
RG27 9UY  
United Kingdom  
[www.serco.com](http://www.serco.com)

