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Supplier Sustainability Code of Conduct

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Definition of Sustainable Procurement

NHS Education for Scotland (NES) buys what it needs in a way that secures value for money on a whole life basis and generates benefits not only to us, but also to society, the economy and the environment.

Introduction

The adoption of a Sustainable Procurement policy assists with

- transparency
- improving economic, social and environmental wellbeing
- ensuring compliance with relevant legislation
- promoting innovation
- reducing costs
- managing risk

NES is committed to conducting business responsibly and reducing, as far as possible, any adverse environmental and social impacts which may be caused by its procurement and contracting activities. Through continually challenging these activities and encouraging and inspiring others, our approach will deliver tangible results that make a difference, now and in the future for society and the environment.

Aim

NES understands the importance of ensuring its activities promote and maintain the highest standards of social, ethical and environmental conduct. We are also committed to ensuring that our suppliers and Contractors are encouraged to adopt a similar responsible approach. The NES Supplier Sustainability Code of Conduct has been developed to support the NES Sustainability Procurement Policy which has in turn been developed to align and compliment the Procurement Reform (Scotland) Act 2014 and to the Scottish Government Procurement Journey.

Community benefits are also viewed as a fundamental and important subset of the NES sustainable procurement duty. While the Procurement Reform Act has a specific threshold at which community benefits must be considered, application of the sustainable procurement duty means that community benefits may be considered and achieved below this threshold.

NES recognises the importance of good corporate citizenship and of maintaining high standards of social, ethical and environmental conduct.

We are also committed to ensuring that our suppliers and contractors throughout the supply chain adopt a similar approach and have developed a supplier code of conduct which we expect all our suppliers to adhere to.

Laws and Ethical Standards

The supplier shall comply with all laws applicable to its business. The supplier should adhere to the principles of the United Nations' Global Compact, UN Declaration of Human Rights as well as the 1998 International Labour Organisation's "Declaration on Fundamental Principles and Rights at Work" in accordance with national law and practice, especially:

Child Labour

- The supplier shall not use child labour younger than the age of fifteen. In no event especially when national law or regulations permit the employment or work of persons 13 to 15 years of age on light work, the employment shall prevent the minor from complying with compulsory schooling or training requirements and being harmful to their health or development.

Forced Labour

- The supplier shall make no use of forced or compulsory labour.

Compensation and Working Hours

- The supplier shall comply with national applicable laws and regulations regarding working hours, wages and benefits.

Discrimination

- The supplier should promote the diversity and heterogeneity of the individuals in the company with regard to race, religion, disability, sexual orientation or gender among others.

Health & Safety

- The supplier shall comply with applicable occupational health and safety laws and regulations and provide a safe and healthy working environment to prevent accidents and injury to health.

Business Continuity Planning

- The supplier shall be prepared for any disruptions of its business (e.g. natural disasters, terrorism, software viruses, and medical/infectious diseases).

Improper Payments/Bribery

- The supplier shall comply with international anti-bribery standards as stated in the United Nations' Global Compact (principles detailed in appendix 1) and local anti-corruption and bribery laws. In particular, the

supplier may not offer services, gifts or benefits to NES employees in order to influence the employee's conduct in representing NES Supply Chain.

Environment

The supplier shall comply with all applicable environmental laws, regulations and standards as well as implementing an effective system to identify and eliminate potential hazards to the environment.

Business Partner Dialogue

The supplier shall communicate the above mentioned principles stated in the Code to its subcontractors and other business partners involved in the products and services being supplied to the NHS in Scotland and motivate them to adhere to the same standards.

Compliance with the Supplier Code of Conduct

NES reserves the right upon reasonable notice to check compliance with the requirements of the Supplier Code of Conduct and encourages its suppliers to implement their own binding guidelines for ethical behaviour.

The supplier agrees that it is responsible for controlling its own supply chain and that it shall encourage compliance with ethical standards, human rights, health and safety and environmental standards by any subsequent supplier of goods and services that are used by the supplier when performing its obligations.

NES has produced this 'Supplier Sustainability Code of Conduct' to outline the expectations of all companies who do business with it or those accessing its contracts.

The NES Terms & Conditions and the Supplier Sustainability Code of Conduct represent the minimum requirements for suppliers. Any additional requirements will be addressed within a given contracting strategy.

Objectives

NES key objectives regarding Sustainable Procurement are to:

- ensure that NES procurement activity complies all appropriate legislation and with the Scottish Government Procurement Journey
- aim to ensure that all NES procurement incorporates challenges and improvements in Sustainable Development
- adopt minimum labour standards and worker rights detailed in the UN Global Compact throughout the product life-cycle
- utilise sustainable resources wherever possible and appropriate

- protect biodiversity
- communicate the Supplier Code of Conduct to all its suppliers
- work with suppliers to understand potential risks within the supply chain and opportunities to limit these where possible

Communications

The Sustainable Procurement Policy and Strategy is communicated both internally and externally. All documents are made available to customers and suppliers via the NES website.

Review

The NES Sustainable Procurement Policy will be reviewed annually and in line with any relevant legislation.

Appendix 1

The NES policy takes into account the United Nations Global Compact standard for responsible business practice, covering human rights, labour rights, the environment and anti-corruption. As a globally recognised and universally applicable set of standards, the Ten Principles of the Global Compact form a principle element of our Supplier Code of Conduct.

The Ten Principles of the Global Compact are

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour Standards

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.