



SUPPLIERS: CODE OF CONDUCT

FNZ Procurement

V.1.3

9th September 2020

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1 Introduction

FNZ is the market leading provider of technology and administration services to major financial institutions in the platform and wealth management sectors across the globe. We partner with life companies, banks, asset managers and discretionary wealth managers to enable them to develop and distribute financial products and services to their customers across all major distribution channels.

FNZ procures a wide range of products and services from third party suppliers across the globe. These range from software and applications, insurance, data and consulting through to physical commodities such as stationery, office equipment and IT hardware. We have a responsibility to ensure that the third parties we choose to do business with, and the manner in which they do business, are a positive reflection of both our brand and culture, as such FNZ requires its suppliers to operate in accordance with the principles in this Supplier Code of Conduct (“**Code**”) and in full compliance with all applicable laws and regulations.

The Code focuses on 5 main areas which are based on our business functions and corporate strategy: Integrity, Slavery and Human Trafficking, Fair Pay, Diversity, and Ethical and Sustainable Procurement. FNZ believes that through focusing on these target areas our suppliers can be in no doubt of the standards and practices which we expect to be upheld, no matter where in the world a supplier is located.

1.1 Purpose

The objective of this document is to provide suppliers with an understanding of the minimum standards to be observed and maintained across the global supply chain.

FNZ is committed to helping our suppliers to comply with this Code, and, in turn, FNZ expects its suppliers to apply the Code to its own supply chain. Suppliers are expected to be transparent in their practices and actively promote adherence to the Code. FNZ regularly monitors suppliers through a supplier governance framework, including the use of questionnaires and audits, to identify and assess potential risks.

1.2 Scope and Applicability

The Code applies to all global suppliers and partners of the FNZ Group, whether the contractual arrangements are temporary, fixed term or permanent.

2 Standards

FNZ suppliers are expected to provide safe working conditions, treat workers with dignity and respect, act fairly and ethically, and to use environmentally responsible practices wherever they make products or perform services for FNZ.

The key standards to be observed and upheld are listed below. This is not an exhaustive list and FNZ will make updates from time to time based on our findings.

2.1 Integrity

FNZ suppliers shall not engage in any form of corruption, extortion, embezzlement, concealment, abuse of confidential information, misrepresentation of facts or other unfair business practices to obtain an unfair or improper advantage. Suppliers shall endeavor to abide by all applicable anti-corruption laws¹ and regulations of the countries in which they operate.

2.2 Slavery and Human Trafficking

FNZ suppliers shall ensure that all work is completed voluntarily. Involuntary labor may include (but is not restricted to) the transportation, harboring, recruitment, transfer, receipt, or employment of persons by means of threat, force, coercion, abduction, fraud, or payment to any person that has any form of control over another person for the purpose of exploitation.

FNZ suppliers shall not withhold any workers' identification and/or travel documents, and shall ensure that workers' contracts clearly convey the conditions of employment in a language understood by the workers.

FNZ suppliers shall not impose unreasonable restrictions on movement within the workplace, or upon entering or exiting company facilities.

FNZ suppliers should ensure that workers are not required to pay fees to obtain their employment. Where such fees are found to have been paid by workers, such fees shall be repaid to the worker.

FNZ suppliers shall ensure that any third-party recruitment agencies it uses comply with the Code.

¹ The supplier shall comply with international anti-bribery standards as stated in the United Nations' Global Compact and local anti-corruption and bribery laws including The Bribery Act 2010.

2.3 Fair Pay

FNZ suppliers shall pay at least the minimum wage and provide any benefits required by law and/or contract; workers should be paid for overtime hours at the legal premium rate, and suppliers shall communicate pay structure and pay periods to all workers in a language that is understandable to each worker.

FNZ suppliers shall meet all legal requirements relating to wages and benefits, and pay accurate wages in a timely manner. Wage deductions shall not be used as a disciplinary measure.

2.4 Diversity

The FNZ supply chain should reflect the diversity of the communities in which we operate, as such FNZ suppliers shall engage, promote and manage workers' performance based on merit, and shall not discriminate on any ground.

FNZ suppliers shall demonstrate a commitment to equality of opportunity for individuals and groups enabling them to live their lives free from discrimination and oppression.

2.5 Ethical and Sustainable Procurement

FNZ suppliers shall take environmental and social considerations into account alongside financial factors in sourcing decisions and practices generally.

FNZ suppliers shall take appropriate and immediate action where breaches of basic standards are identified with a view to remediation, wherever possible.

FNZ suppliers shall strive to identify risks and vulnerabilities in its supply chain, taking necessary action to improve social and environmental impacts where it is within their area of control.

Ongoing communication with suppliers is vital in making sure appropriate standards are upheld. As such FNZ may from time to time request evidence of such communications, including but not limited to minutes of meetings and copies of any due diligence collected. The frequency of communication should be proportionate to the probability of risk, but no less than annually.

3 Our Commitments

3.1 Asking Questions and Flagging Concerns

Suppliers looking for more information on the Code and its associated principles, or anyone looking to raise concerns, should engage FNZ Procurement directly, at procurement@fnz.co.uk

3.2 Communication and Transparency

Communications will be made both directly with suppliers, and through the FNZ website. We commit to transparency where we identify any issues or concerns, and these findings will aid us in developing our principles and process in this area on an ongoing basis.

4 Supplier Adherence

Suppliers shall conform to all aspects of the FNZ Supplier Code of Conduct as implied into Terms of Business.

The Supplier shall communicate the principles as stated in this Code to its subcontractors and other business partners who are involved in supplying the products and services described in the respective agreement. The supplier shall motivate such parties to adhere to the same standards.

Suppliers will be asked to sign a declaration as part of commercial negotiations, and this will be discussed annually at each supplier review and/or due diligence refresh process.

4.1 Due Diligence and Audit Rights

FNZ reserves the right to assess the adoption of its standards throughout the global supply chain, and we expect all suppliers to maintain an adequate record of evidence to demonstrate compliance with the Code. FNZ may request access to such evidence, or otherwise to supplier sites where deemed necessary in the circumstances, for audit purposes.

4.2 Remediation

Where FNZ identifies any potential risk within the supply chain a meeting will be scheduled with the immediate contracting party within 5 working days. This meeting will be to establish any steps taken, and to agree steps for remediation.

During the meeting, the parties will agree to a reporting frequency that is proportionate to the level of risk (this may be weekly, fortnightly, monthly, quarterly, etc., depending on the individual merits of the case), and minutes will be taken.

Any open risks will be monitored through to closure, and observed thereafter.

Where FNZ has taken all reasonable endeavors to work with the supplier to remediate the risk of slavery in the supply chain, but does not consider that the supplier is taking reasonable steps to remediate as agreed at the meeting, FNZ may decide to either step into the remediation process directly, or instruct a third party. All such costs borne by FNZ in its efforts to act responsibly to combat modern slavery will be passed on to the supplier.

4.3 Failure to Comply

FNZ commits to support its suppliers to comply with the Code and upon evidence of any risk or failure will make all reasonable efforts to tackle the matter in an ethical and responsible way; however, where it is deemed that there is an unwarranted failure to comply with these standards, or with applicable laws and regulation, this may result in termination as a FNZ supplier or partner, and where necessary we will refer the matter to the relevant authorities.

Supplier Declaration of Conformity

[Name and address of supplier]

[Date]

To the Relevant Manager,

RE: Supplier Declaration of Conformity with the standards as set forth in the FNZ Supplier Code of Conduct (“the Code”).

In accordance with **the Code** all new or existing FNZ suppliers shall support and evidence an acceptable level of ethical standards during the provision of any services, including the sale/resale of goods, to the FNZ Group.

I/We [Company Name] have read and accept the FNZ Code of Conduct and hereby confirm that I/we will make all reasonable endeavours to comply with FNZ’s ethical standards, and ensure that these standards are maintained to an acceptable level within our own supply chain, while performing any services on behalf of the FNZ Group.

I/We understand that FNZ may audit such standards or evidence thereof either directly or through the use of a third party assessor, which may include access to any premises that is used or controlled by me/us.

For the avoidance of doubt I/we understand that the term “**ethical standards**” shall include all standards as noted within the Code, including, but not restricted to:

- integrity,
- slavery and human trafficking,
- diversity,
- fair pay,
- ethical and sustainable procurement.

We understand that these standards are a condition of our ongoing business relationship with the FNZ Group.

Yours Faithfully

for and on Behalf of [Company Name]

Version	Change Date	Updated By	Change
Version 1	Created 8 February 2017	Samantha Reade	V1.1 updated to include 4.2: Remediation.
Version 1.2	26/8/18	Alison McQuaker	V1.2 annual review no changes
Version 1.3	3/9/20	Alison McQuaker	V1.3 annual review no changes