

# Supplier Code of Conduct

16 December 2020

## Purpose

This Supplier Code of Conduct (Code) outlines Afterpay's expectations of its suppliers when it comes to labour and human rights, work health and safety, environmental management, ethical business practices and governance, cyber security and privacy, and diversity. Afterpay expects suppliers to ensure that their operations and supply chains meet these standards.

This Code applies to any entity that supplies goods or services to Afterpay or its related companies anywhere in the world. Where this Code refers to workers, this includes employees, contractors, agency, migrant, student and temporary staff of the supplier and of its related entities.

## Afterpay's Commitment

As a global business, we recognise the responsibility we have in protecting the most vulnerable members of the communities we work in and serve.

We are committed to respecting human rights and ensuring that our people and partners comply with all laws that seek to preserve those rights in each of the countries in which we operate. We do this by:

- Respecting internationally recognised human rights principles as set out in the Universal Declaration of Human Rights and the 10 UN Global Compact Principles, and ensuring that these principles are understood, respected and upheld across our organisation, primarily through training and education.
- Treating our employees with respect, and providing a safe, fair, and non-discriminatory work environment that is free from harassment, bullying or victimisation and which respects the right of freedom of association.
- Promoting diversity and inclusion with our employees, respecting the diversity of others and where identified, addressing exclusion.
- Closely monitoring and complying with all applicable laws and regulations in communities and jurisdictions in which we operate (and where differences exist between our own standards and local customs, rules or regulations, applying the higher standard).
- Not tolerating or supporting the use of child labour, forced, bonded or compulsory labour and any other form of modern slavery.
- Considering the risk of our direct or indirect involvement in negative impacts on human rights through both our own activities and business relationships and, where risk is identified, taking appropriate action.
- Engaging meaningfully with our stakeholders with respect for their human rights in any interactions.

We expect our suppliers to influence their own supply chain to adopt a safe, fair and ethical approach to their operations and to demonstrate adherence with this Code. Our suppliers are expected to monitor their compliance, notify us of any breaches and take reasonable steps to address, resolve and prevent further breaches of this code.

## Code of conduct for Suppliers

### **Compliance with local laws**

Suppliers must comply with the law in the countries in which they operate.

### **Labour and human rights**

We expect our suppliers to respect and support the protection of human rights for all workers, as well as all individuals and communities affected by their activities.

### **Non-discrimination**

Afterpay expects that Suppliers will not directly or indirectly engage in or support discrimination in hiring or other employment practices, including on grounds of gender, age, ethnicity, religion, race, cultural background, disability, sexual orientation, gender identity, pregnancy (or potential pregnancy), family responsibilities, marital relationship status, union or industrial activity, political beliefs, irrelevant criminal record, or personal association with a person who possesses or is thought to possess any of these attributes.

Afterpay encourages suppliers to promote diversity in their supply chains, including:

- Having in place equal employment opportunities, anti-discrimination and anti-harassment policies
- Ensuring recruitment processes and decisions are merit-based and fair, including decisions relating to promotion and remuneration
- Developing procurement processes aimed at enhancing the lives of people with disability or who are disadvantaged

### **Bullying and Harassing Practices**

Suppliers must not coerce, including using violence or threats of violence, or any other form of physical coercion or harassment. Physical punishment, mental or verbal abuse, sexual harassment or abuse, and inhumane treatment are not tolerated.

### **Child and Underage Labour**

The minimum age for employment must be in line within line with International Labour Organisation (ILO) standards. This Code allows for workplace apprenticeship programs or light work as defined by the ILO. Children under the age of 18 must not be employed for any hazardous work.

### **Forced and Compulsory Labour**

Suppliers are not permitted to engage in any form of forced, bonded, compulsory or slave labour, or human trafficking. Suppliers must not require workers to relinquish any government issued identification, including their passport or work permit or other personal document as a condition of gaining employment.

Workers should not be required to pay employers or agents any fee for securing employment.

## **Working Hours, Wages and Benefits**

Suppliers should ensure workers do not exceed usual local work hours which should be in line with International Labour Organisation (ILO) standards.

Suppliers should also ensure that workers are remunerated in line with applicable local laws, and provided with at least one day off per seven-day week.

## **Work Health and safety**

Afterpay requires its suppliers to comply with relevant workplace and health and safety laws and ensure their workers and suppliers comply with health and safety policies, standards and procedures that apply to them. Additionally, suppliers are required to provide safe environments for workers, visitors and third parties, by managing risks and providing appropriate training for their workers and contractors in safe work practices.

Suppliers must ensure emergency equipment is in place to effectively respond to and manage incidents and emergencies.

## **Environmental Management**

Afterpay expects that Suppliers meet applicable local government regulations and environmentally responsible business practices and endeavour to comply with international standards in environmental protection. Suppliers are required to obtain and maintain and comply with all relevant environmental permits and registrations. Suppliers are expected to minimise the adverse environmental effects of their operations, products and services by working to reduce the use of raw materials and resources in their operations and seek ways to maximise the efficient use of energy, water, resources and raw materials and minimise pollution, waste and greenhouse gas emissions.

## **Honesty, Integrity & Conflicts of Interest**

Suppliers should act ethically and be honest and transparent in all their dealings. Suppliers must ensure zero tolerance and implement processes and controls to mitigate corrupt activities such as extortion, bribery, facilitating improper payments or benefits to its customers, suppliers and workers, including to any third party or government.

Suppliers should avoid actual, potential or perceived conflicts of interest with Afterpay employees.

## **Responsible Sourcing**

If applicable, Suppliers are expected to conduct appropriate due diligence to reasonably ensure that the raw materials contained in the products they produce do not directly or indirectly assist organisations and individuals connected with illegal activities, human rights abuses or terrorism.

## **Sanctions & Trade Controls**

Suppliers must not engage in trade activities or include in their supply chain any goods or services sourced from sanctioned persons, countries or organisations, including all applicable laws and regulations relating to sanctions, import, export and trade controls, including laws enacted by the UN, Australia the US, the UK, and the EU.

## **Privacy & Security**

Suppliers must ensure they meet applicable global privacy and security legislation and relevant standards, capture appropriate privacy and security obligations under their contractual agreement(s), and take reasonable steps to respect the privacy of individuals whose personal data they collect and handle.

This includes developing adequate policies and processes, training, monitoring compliance, and implementing adequate technical and organisational security measures and controls, including to avoid or otherwise appropriately respond to security incidents or personal data breaches if they arise.

## **Operational management**

Suppliers should develop, maintain and implement policies to support the implementation of this Code or an equivalent standard appropriate for their organisation, and maintain appropriate systems to manage and document adherence with this Code.

Suppliers are expected to communicate how they adhere to the principles of this Code to workers, their own suppliers, and members of the communities in which they operate.

## Raising a Concern

A safe and supportive environment in which all team members are respected and supported is critical to our long-term success. It is important that individuals are encouraged to “speak up” when they see inappropriate behaviour or illegal activity. We encourage and support all current and former employees, directors, contractors, consultants and third-party suppliers to report suspected or actual misconduct, as well as unlawful activity.

Anyone who reports any matter has the option of identifying themselves or remaining anonymous.

Afterpay expects Suppliers to also have similar processes and policies for their workers and any of their own suppliers to raise a matter.

All of Afterpay’s current and former employees, directors, contractors, consultants and Suppliers have access to a confidential Whistleblower process outlined below:

Website: <https://secured1.yourcall.com.au/>

Click the icon ‘Make a Report’ and use the unique identifier code AFTERPAY  
You can upload supporting documentation and/or material securely.

Email: [whistleblower@afterpay.com](mailto:whistleblower@afterpay.com)

Telephone: 1300 790 228 Australia  
0800 123 508 New Zealand  
0-800-046-5662 United Kingdom  
1 (800) 897-2761 United States