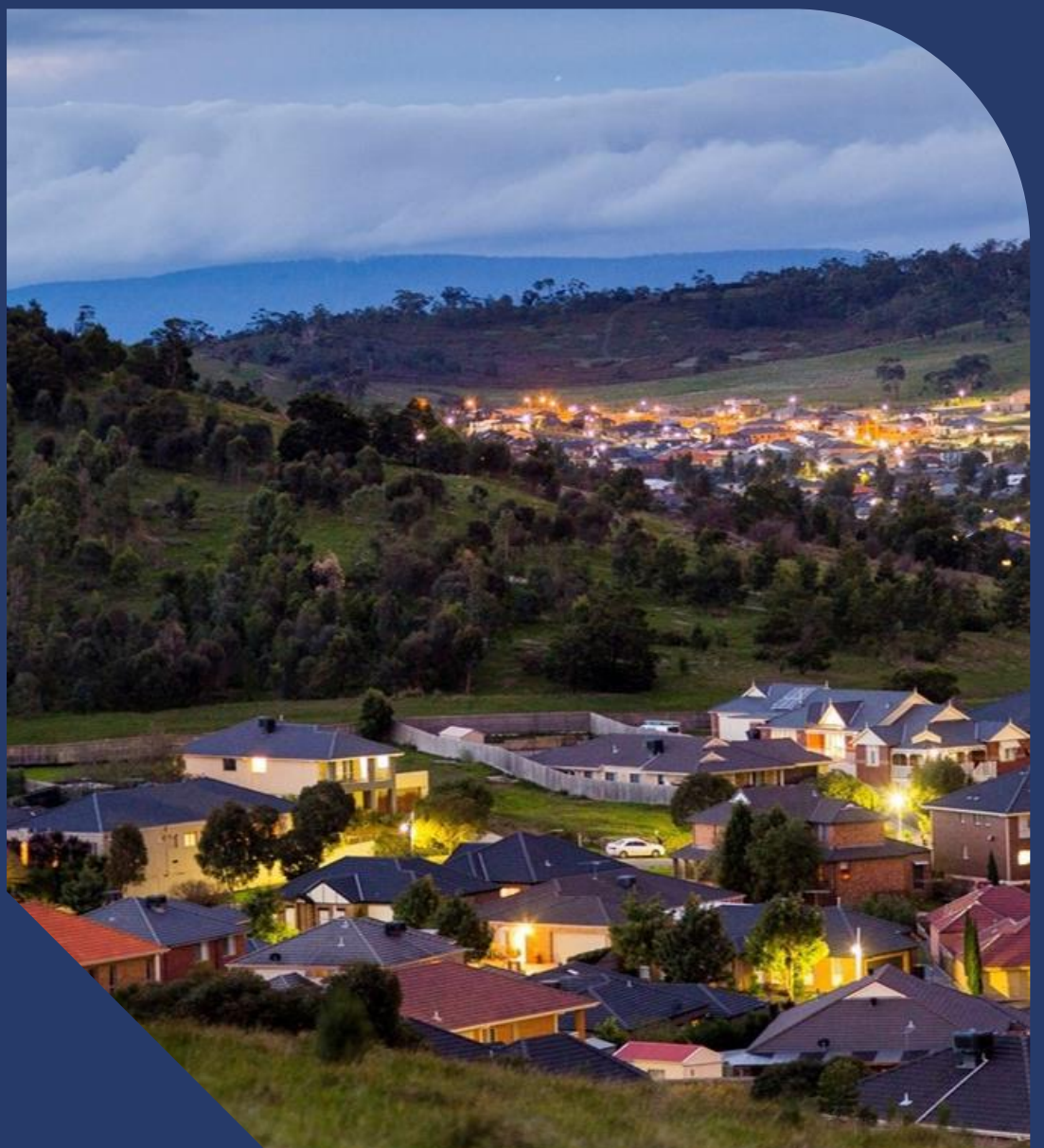


# AusNet

## Supplier Code of Conduct

PTP 10-04 v5

Friday, 17 February 2023



# Table of contents

<b>1. Purpose</b>	<b>2</b>
<b>2. Scope</b>	<b>2</b>
<b>3. Abbreviations and definitions</b>	<b>2</b>
<b>4. Actions and responsibilities</b>	<b>3</b>
4.1. Business practices and ethics	3
4.2. Labour practices and human rights	3
4.3. Diversity	4
4.4. Legal and regulatory obligations	4
4.5. Health and Safety	4
4.6. Environmental regulation and protection	5
4.7. Privacy and cyber security	5
4.8. Compliance with the code	5
4.9. Reporting	5
<b>5. Application and important information</b>	<b>6</b>
<b>6. Legislative reference</b>	<b>6</b>
<b>7. More information</b>	<b>6</b>
<b>8. Related policies</b>	<b>6</b>
<b>9. Document control</b>	<b>6</b>
<b>10. Revision history</b>	<b>7</b>

# Supplier Code of Conduct

## 1. Purpose

The AusNet Supplier Code of Conduct (Code) outlines the minimum standards expected from our Suppliers in the areas of business practices and ethics, labour practices and human rights, diversity, legal and regulatory obligations, health and safety, environmental regulations and protection, privacy and cyber security, compliance with the Code and reporting.

## 2. Scope

AusNet is committed to sustainable, ethical, and socially responsible procurement practices. We view our Suppliers as partners and expect the same high standards from our valued partners. AusNet's Sustainable Procurement Policy (PTP 10-05)<sup>1</sup> defines business requirements and accountabilities of AusNet and its subsidiaries (AusNet) for the sustainable procurement of externally sourced goods and services, aiming to achieve positive environmental, social, and economic impact over the entire life cycle, whilst simultaneously meeting legislative requirements

This Code applies to all who supply goods or services directly to AusNet (direct Suppliers) and all sub-tier Suppliers contributing to the supply of goods or services to AusNet (indirect Suppliers). All direct and indirect Suppliers are required to:

- read and understand the Code, ensuring that their operations and supply chain comply with this Code; and
- take all reasonable steps to ensure that indirect Suppliers are aware of, understand and comply with this Code.

Reasonable steps include providing a copy of this Code to each indirect Supplier and implementing mechanisms to monitor compliance.

This Code will not supersede any contractual, legal, or regulatory obligations of the Supplier and additional responsibilities/standards may be outlined for the Supplier in specific contracts. Third party sourcing decisions at AusNet will include consideration of a Supplier's ability to meet or exceed standards within this Code, irrespective of whether the Code has been incorporated into a contract or not.

Fundamental to this Code is a requirement that all Suppliers operate in full compliance with all laws, rules, and regulations of the countries in which they operate, in all their activities.

## 3. Abbreviations and definitions

Term	Definition
Workers	Includes employees, contractors, agency resources, migrant resources, students, and temporary staff
Code	Supplier Code of Conduct
ILO	International Labour Organisation
UNSC	United Nations Security Council

<sup>1</sup> <https://www.ausnetservices.com.au/-/media/project/ausnet/corporate-website/files/about/suppliers/ptp-10-05-sustainable-procurement-policy.pdf> Sustainable Procurement Policy

## 4. Actions and responsibilities

### 4.1. Business practices and ethics

At AusNet, we act with integrity. Suppliers must ensure any conflict of interest is avoided, whether actual, perceived or potential. Suppliers must:

- Operate in compliance with all applicable laws including anti-trust and fair competition, labour, safety, anti-discrimination, anti-harassment, anti-bullying, environmental, consumer protection, anti-bribery, anti-corruption, and criminal laws.
- Not tolerate deceptive, dishonest, corrupt, illegal, or inappropriate behaviour, even when it is legal or common practice in a country.
- Act with integrity, be honest, transparent, and trustworthy. Never offer or receive aid, bribes, pay-offs, facilitation payments, unjustified or inflated commissions, kickbacks, or any other improper benefit.
- Not do anything that does, or may be seen to, assist, influence, or gain a benefit from or for a government official, politician, or political party.
- Identify, understand, and manage risks within a risk aware culture supported by an effective risk management framework. The Supplier must make AusNet aware of any risk to delivery or behaviour that may affect our reputation.
- Have robust management systems and incident management practices that identify and manage events with the potential to adversely impact contracted deliverables, employees, legal/regulatory obligations and/or reputation. The Supplier must report significant incidents to AusNet as a priority.

### 4.2. Labour practices and human rights

At AusNet, we respect and support human rights as set out in the Universal Declaration of Human Rights<sup>2</sup>.

Suppliers must:

- Respect and support the protection of internationally proclaimed human rights as outlined in the Universal Declaration of Human Rights, strive to implement both the United Nations' Guiding Principles on Business and Human Rights<sup>3</sup> and the UN Global Compact "Ten Principles"<sup>4</sup> within their operations, including indirect Suppliers. This applies to Workers, individuals and communities affected by the Suppliers' activities.
- Comply with all Australian State and Federal laws relating to "Modern Slavery"<sup>5</sup> including supply chain transparency laws and formal policies prohibiting Modern Slavery within their supply chains.
- Exercise due diligence to assure that all goods produced are free of conflict minerals and do not directly or indirectly support organisations and individuals associated with human rights abuses, terrorism, or any illegal activity.
- Respect Workers' freedom of association, recognise and protect their right to collective bargaining and to form, join and administer workers' organisations. Where the right to freedom of association and collective bargaining are restricted under the law, the company shall allow Workers to freely elect their own representatives.
- Pay Workers' wages, including overtime, in a timely manner as required under applicable laws. Wage deductions are not to be used as a disciplinary measure.

<sup>2</sup> <https://www.un.org/en/about-us/universal-declaration-of-human-rights> UN Declaration of Human Rights

<sup>3</sup> [https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf) UN Guiding Principles on Business and Human Rights

<sup>4</sup> <http://www.unglobalcompact.org/what-is-gc/mission/principles> UN Global Compact "The Ten Principles of the UN Global Compact"

<sup>5</sup> <https://www.legislation.gov.au/Details/C2018A00153>, Modern Slavery Act 2018 (Cth)

Suppliers must **not**:

- Require Workers to exceed accepted local work hours and must operate in alignment with International Labour Organisation<sup>6</sup> (ILO) standards.
- Engage in or support discrimination in hiring and employment practices, nor use violence, threats of violence or other forms of physical coercion or harassment.

## 4.3. Diversity

AusNet is committed to be a diverse employer and to promoting diversity in our supply chain.

AusNet has a social procurement policy which provides a framework to encourage or explore procurement activities, where appropriate, that have a positive social and economic impact for the procurement of externally sourced goods and services. The policy builds on our existing sustainability considerations regarding the social impact of our purchases, whilst meeting all current and potential legislative developments and market/customer expectations.

Main aims of the social procurement policy are to:

- Encourage supplier diversity by increasing opportunities for the engagement and retention of a greater diversity of suppliers and social enterprise: and
- Drive positive impacts across the supply chain, by encouraging all existing and potential suppliers to demonstrate inclusion and diversity within their own operations and supply chain, including through recruitment and sourcing practices.

## 4.4. Legal and regulatory obligations

Suppliers must understand their legal and regulatory obligations. This includes having policies, procedures, systems, and training in place to ensure compliance.

## 4.5. Health and Safety

Health and Safety is a non-negotiable focus area. Our Suppliers play an important role in our commitment to keep each other, our Workers, Customers and the public free from harm.

Compliance with all relevant workplace and safety laws is required. Workers must understand and follow health and safety policies, standards, and procedures.

Suppliers must:

- Identify workplace hazards and minimise the risk of workplace injury;
- Supply equipment, resources, instruction, education, and training for Workers to safely carry out their responsibilities;
- Implementing appropriate safety systems to ensure product and services delivery meets industry standards and legislative requirements;
- Monitor the workplace conditions to prevent injury; and
- Manage and report workplace incidents.

<sup>6</sup> <https://www.ilo.org/global/standards/lang-en/index.html> International Labour Organisation Standards

## 4.6. Environmental regulation and protection

Suppliers must actively seek to minimise the environmental impact of their operations, including managing and continually improving resource efficiency and waste minimisation. At a minimum, we expect you to comply with all applicable environmental laws, regulations, standards, and appropriate international treaty obligations.

## 4.7. Privacy and cyber security

Suppliers are expected to work with us to protect the data and networks of AusNet and our Customers. We expect our Suppliers to implement best practice technical solutions and security measures, including monitoring processes to protect the supply chains of both AusNet and our Customers from breaches. In line with AusNet policies and procedures, AusNet must be notified immediately when a Supplier becomes aware of a data or network breach.

Suppliers will maintain the confidentiality of all information related to your work with AusNet and protect it from unauthorised disclosure. Suppliers must consider privacy in the design of any new system or process. All risks to, or breaches of, information security or privacy obligations must be reported to AusNet immediately.

## 4.8. Compliance with the code

Failure to comply with this Code may be regarded as a breach of the Supplier's contract with AusNet and give rise to a range of potential consequences. These may result in the cessation of your relationship with AusNet in the case of material breach and potentially a claim for damages.

Suppliers are expected to develop, maintain, and implement policies consistent with this Code and maintain appropriate management systems and documentation to demonstrate compliance. AusNet may at any time review or audit a Supplier's compliance with this Code. In such event, the Supplier should co-operate by providing information, documents, and access to staff.

Suppliers are encouraged not only to meet applicable laws but to continually improve ethical behaviour, social and environmental positions.

## 4.9. Reporting

The Supplier must notify AusNet as soon they become aware of a potential or actual breach of this Code. This notification must be in writing and must include the location, nature, and extent of the breach and whether any steps (and, if so, what steps) have been taken to address and remedy the breach. Where AusNet suspects a breach of this Code, the Supplier may be required to provide an independent report. Any serious breach could result in the termination of the relationship with AusNet.

It is expected Suppliers will also:

- produce and maintain financial and other records in compliance with all applicable laws;
- produce and maintain records which demonstrate compliance with this Code; and
- produce records demonstrating compliance with this Code to AusNet, on demand.

## 5. Application and important information

In this Policy, 'AusNet' (or 'Group' or 'AusNet Group'), refers to Australian Energy Holdings No 1 Pty Ltd and each of its subsidiaries (each an 'AusNet Entity' or 'Group Entity'). A 'subsidiary' includes a subsidiary an entity within the meaning given to it in the Corporations Act 2001 (Cth) (but as if body corporate includes any entity), as well as a subsidiary of (or an entity otherwise controlled by) an entity under any Australian Accounting Standards.

This policy is not legally binding on the AusNet Entities and, unless otherwise expressly specified therein, does not supersede, or override any process or contract involving an AusNet Entity. The AusNet Entities are not obliged to (and none of them make any representation, nor give any undertaking, that they will) comply with this Policy (whole or in part). This Policy may be altered, withdrawn, or changed at any time, and without notice, by an AusNet Entity.

## 6. Legislative reference

JURISDICTION	REGULATOR	REFERENCE
Commonwealth	Department of Home Affairs	<a href="https://www.legislation.gov.au/Details/C2018A00153">https://www.legislation.gov.au/Details/C2018A00153</a>

## 7. More information

<a href="https://www.un.org/en/about-us/universal-declaration-of-human-rights">https://www.un.org/en/about-us/universal-declaration-of-human-rights</a> Universal Declaration of Human Rights
<a href="https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf">https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf</a> UN Guiding Principles on Business and Human Rights
<a href="https://www.ilo.org/global/standards/lang--en/index.html">https://www.ilo.org/global/standards/lang--en/index.html</a> International Labour Organisation Standards
<a href="http://www.unglobalcompact.org/what-is-gc/mission/principles">http://www.unglobalcompact.org/what-is-gc/mission/principles</a> UN Global Compact "The Ten Principles of the UN Global Compact"

## 8. Related policies

DOCUMENT ID	DOCUMENT TITLE
PTP 10-04	<a href="https://www.ausnetservices.com.au/-/media/project/ausnet/corporate-website/files/about/suppliers/ptp-10-05-sustainable-procurement-policy.pdf">https://www.ausnetservices.com.au/-/media/project/ausnet/corporate-website/files/about/suppliers/ptp-10-05-sustainable-procurement-policy.pdf</a> Sustainable Procurement Policy

## 9. Document control

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<b>Classification</b>	Public
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<b>Policy author</b>	Catherine Predika
<b>Policy approver</b>	Mark Ellul
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<b>Department or business unit</b>	Strategic Procurement

## 10. Revision history




REVISION	DESCRIPTION	POLICY AUTHOR	DATE
1.5	Update to latest AusNet template Update of section 4.3 "Diversity". Update to section 4.9 "Reporting" Addition of section 5 "Application and important information"	Catherine Predika	17 February 2023
1.4	Update to section 2 "Scope" - addition of reference to Sustainable Procurement Policy PTP 10-05 Update to section 4.3 "Diversity" with inclusion of social procurement policy reference.	Catherine Predika	23 February 2022
1.3	Minor content amendment, update to resource references and footnotes	Catherine Predika	3 December 2022
1.2	Updated to mirror externally published Code	Catherine Predika	11 May 2020
1.1	Published	Catherine Predika	18 December 2019



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