

# Supplier Ethical Trading Requirements

## Introduction:

At ABM we aim to act responsibly and manage the risk in our supply chain particularly in the area of human rights and material sourcing. One of the organisations CSR pillars is Marketplace, 'We are committed to improving the sustainability of our supply chain and service provision.' This document has been created to underpin the organisations CSR strategy by providing our suppliers with a set of ethical standards that we expect them to read, sign and adhere to should they wish to trade with us.

We are committed to doing what we can to ensure that our supply chain is ethical and fair with products and services we buy being produced under humane working conditions with respect for workers and their human rights. In addition, we want to ensure that our suppliers minimise their impact on environment as much as possible.

To enable this, we expect our suppliers of products and services to read and comply with the Base Code of the Ethical Trading Initiative ([www.ethicaltrade.org](http://www.ethicaltrade.org)) and the environment section of this document. Suppliers must also comply with local law, whichever offers the greater protection for workers. Where conditions do not yet comply, we expect our suppliers to be transparent with us about the differences and commit to improving those issues with our support.

## Scope:

This policy applies to all ABM suppliers including suppliers of goods and materials and suppliers of sub-contracted services.

## Using This Document:

### Step 1:

Read this document carefully and sign the acceptance statement at the bottom page including your full name and title (The statement must be signed by a Senior Person within the organisation).

### Step 2:

Scan and email the signed copy to your contact within ABM. If you have any questions regarding this document, please email [Verona \(New ABM e-mail address\)](mailto:Verona@abm.com).

## Ethical Trading Initiative (ETI):

The ETI base code is the reference used by ABM (in addition to labour laws where the site/supplier is based). The base code is derived from International Labour Organisation (ILO) core conventions and covers 9 key areas:

- Employment is freely chosen.

- Freedom of association and the right to collective bargaining is respected.
- Working conditions are safe and hygienic.
- Child labour shall not be used.
- Industry ERO wages are paid.
- Working hours are not excessive.
- No discrimination is practised.
- Regular employment is provided.
- No harsh or inhumane treatment is allowed.

The base code is available in a variety of languages:

<http://www.ethicaltrade.org/resources/key-eti-resources/eti-base-code>

### **Environment:**

We expect our suppliers to aim to minimise their impact on the environment as much as possible. To this end suppliers shall seek to:

- Make continuous improvements in their environmental performance and will identify, monitor and minimise the environmental impacts of their operations ideally by using an externally accredited management process.
- As a minimum, comply with the requirements of local and international laws and regulations.
- Demonstrate improved environmental performance over time, doing what they can to minimise their CO2 emissions.
- Minimise their use of raw materials, continually looking for more efficient processes and maximise their use of recycled materials.
- Continually strive to recycle as much of their waste as possible. Waste shall be disposed of in an efficient, safe and environmentally responsible way and in full compliance with national laws.
- Avoid contamination of the local environment and ensure that air, noise and odour pollution is within nationally defined limits.
- Innovate to find sustainable alternatives to using fossil fuel-based and non-renewable resources.
- Minimise chemical use and abide by international, national and sector specific laws and Codes of Practice for the use of pesticides.

### **Supplier Approval Process:**

Before commencing work with us all our suppliers must read and sign a copy of our Supplier Policy. As part of this on boarding process suppliers must provide a copy of their EL & PL insurances as well as their H&S policy statement, risk assessments and any relevant accreditations/training certificates that prove their competency to carry out the work.

### **Modern Slavery and Human Trafficking Due Diligence Questionnaire:**

In order to manage the risk in our supply chain we have developed a Modern Slavery & Human Trafficking Due Diligence Questionnaire. All of our suppliers must complete and sign the questionnaire before starting work with us.

### Supplier Audit Process:

To help validate that our suppliers adhere to the ETI base code supplier audits are conducted by authorised persons assigned by ABM.

This audit process covers audits conducted at our supplier's premises and audits conducted when a supplier is delivering a good or service i.e., at a ABM Head Office location or Client site. The number of audits conducted with each supplier is at the discretion of the CSR Division and will depend on a number of risk factors including the size of the organisation, the type of service they provide and the amount of business that we conduct with them.

The audit process will include:

- Opening meeting with the supplier representative
- A walk-round of the facilities or work area
- Interviews with management, administration staff, worker representatives (e.g. union officials) and workers (worker interviews take place without management being present)
- Closing meeting to agree any actions

During the closing meeting a corrective action plan will be generated and agreed with the supplier if there were any non-compliances identified. Non-compliances will be categorised as minor and major. ABM reserves the right to discontinue business with any supplier or sub- contractor should a non-compliance be identified.

### Supplier Statement of Acceptance:

I have read and understood the supplier ethical trading requirements and agree to adhere conditions within.

**Signed by:** \_\_\_\_\_

**Position:** \_\_\_\_\_

**Signature:** \_\_\_\_\_