



VSO Supplier Code of Conduct

VSO works with a large number of suppliers across the globe. Our relationships with these organisations are important as they help us meet our programme objectives and contribute to achieving our vision of a world without poverty.

We expect all our suppliers to behave at all times in a manner that is compatible with VSO's mission and values and upholds VSO's reputation. Suppliers and their sub-contractors are required to comply with this **VSO Supplier Code of Conduct**.

Suppliers found in breach of this code (which includes compliance with all relevant legislation) will have their relationship with VSO formally reviewed and appropriate action will be taken. This may include termination of the contract/ relationship and where required, reporting to relevant authorities.

Overarching principles for suppliers:

- **Ethical and fair**- We expect the highest standards of business ethics from suppliers and their sub-contractors involved in the supply of goods and services to or on behalf of VSO.
- **Transparent and compliant** – We expect suppliers to be transparent in their business activities and compliant with relevant legislation as well as any other applicable standards.
- **Value for Money** - VSO has a duty to its donors and the communities in which it works to obtain Value for Money in its procurement activity and to be able to demonstrate this. This means that contracts should be priced to offer sustainable value throughout their life, including when changes are needed.

SAFEGUARDING

Suppliers are required to adhere to VSO's [Global Safeguarding & Child Protection Policy](#) which includes but is not limited to the following:

- Not to harm, exploit or emotionally abuse children, young people, vulnerable adults or anyone they come into contact with during the course of their engagement with VSO, through action or omission.
- Not to expose others to the risk of discrimination, neglect, harm or any form of abuse.
- Not purchase, or coerce sex acts, or sexually or physically harass, assault or abuse another person
- Not to condone or participate in behaviour that may be violent, illegal, inappropriate, abusive, discriminatory, unsafe or sexually provocative
- Work in accordance with health, safety and security guidelines and avoid behaviour that creates unnecessary risk to themselves or others.

It is mandatory for VSO suppliers and their sub-contractors to report concerns, suspicions, allegations and incidents which indicate actual or potential abuse or exploitation of vulnerable people. These must be reported to: safeguarding@vsoint.org.

HUMAN RIGHTS AND LABOUR STANDARDS

VSO is committed to ethical treatment of suppliers and is in agreement with the [International Labour Organization \(ILO\) standards](#), the [Ethical Trading Initiative \(ETI\)](#) and the [UN Global Compact](#). Suppliers must comply with all applicable human rights and employment laws in the jurisdictions in which they work and have robust means of ensuring that the subcontractors in their supply chain also comply.

Human Trafficking and Modern Slavery

VSO is committed to ensuring that there are no instances of modern slavery or human trafficking occurring within its global organisation or its supply chains and has a strict zero tolerance approach. This includes complying with the provisions of the [Modern Slavery Act 2015](#). All suppliers must comply with the requirements of this Act and employment must be freely chosen by workers. See VSO's Modern Slavery statement <https://www.vsointernational.org/statement-on-modern-slavery>

Discrimination

Suppliers and their sub-contractors may not discriminate on the basis of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Organisational behaviour

Suppliers, their sub-contractors or any of their associated organisations must not be involved directly or indirectly in any of the following industries: manufacture or sale of arms, illegal substances, pornography. VSO operates a zero tolerance approach to these industries.

Conditions of Work

Conditions of work offered to employees of suppliers and their sub-contractors must be fair, ethical and compliant with the following:

- No harsh or inhumane treatment is allowed - Physical abuse, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is prohibited
- Forced labour / child labour - directly or indirectly forced / compulsory labour or child labour may not be used
- Working hours are not excessive - working hours must comply with national laws or benchmark industry standards
- Regular employment is provided - providing regular employment must not be avoided (e.g. through the use of use of labour-only contracting) so as to avoid obligations which exist in regular employment contracts
- Living wage - Living wages must be paid. At a minimum, wages paid meet the national legal standard or industry benchmarks. VSO is accredited by the UK Living Wage Foundation as a Living Wage employer, which means that our staff and staff of suppliers who provide services to VSO in the UK must be paid a Living Wage.
- Freedom of association - staff's rights to freedom of association and the right to collective bargaining must be respected.

Health & safety

Suppliers must implement high standards of occupational health and safety and comply with applicable local occupational health and safety regulations. Work environments must be safe and hygienic and conducive to good health, in order to preserve the health of employees and prevent accidents, injuries and work-related illnesses.

Treatment of subcontractors

Suppliers are expected to deal fairly with their suppliers and subcontractors in their supply chain, and to ensure that they are paid promptly. We expect suppliers to avoid transferring unreasonable levels of risk to subcontractors who cannot reasonably be expected to manage or carry these risks.

CRIMINAL PRACTICES AND ETHICAL CONDUCT

VSO will only do business with those who are proactive in preventing criminal activity. VSO will not contract with, provide funds for, work with, or assist organisations that are involved in or suspected to be involved in criminal practices. Any suspicion of criminal activity, failure to comply with legal obligations or regulatory requirements, activity which endangers someone's health and safety or the environment, covering up

wrongdoing or unethical conduct must be reported in line with VSO's [Global Whistleblowing Procedure](#) by emailing whistleblowing@vsoint.org.

Fraud, Bribery and Corruption

Suppliers and their sub-contractors must adhere to all applicable anti-corruption laws, including but not limited to the [Bribery Act 2010](#), and anti-money laundering regulations and the [Criminal Finances Act 2017](#). We expect suppliers to have robust processes to ensure that the subcontractors in their supply chain also comply with these laws. We have zero tolerance to any form of corrupt practices and we expect suppliers to be vigilant and proactively be aware of the possibility of criminal practices and the risk of these in their organisations. The following behaviours are considered unacceptable and VSO will cease engagement and will not consider future engagement with any organisations found engaging in these activities:

- Bribery – this includes offering, promising, giving, requesting, agreeing to receive or accepting a bribe or anything of value to influence a procurement or contractual process. These are sometimes referred to kickbacks or facilitation payments.
- Collusion – this is where people to act secretly or illegally in order to commit any of the crimes of fraud. This includes bid rigging whereby suppliers' group together to rig their bids to rotate who is awarded business.
- Money laundering – this is when money from illegal activity through a succession of transactions until the original source of funds has been obscured
- Embezzlement or misappropriation of funds - this when money or property belonging to others is used fraudulently.
- Tax evasion - this can include, but is not limited to, dishonest tax reporting such as declaring less income, profits or gains than the amounts actually earned, or overstating deductions, as well as facilitation of such tax evasion
- Failure to prevent corrupt practices by those acting on the organisation's behalf.

Conflicts of interest

Suppliers must mitigate appropriately against any real or perceived conflict of interest through their work with VSO. Any real or perceived conflict of interest must be reported and dealt with as soon as it is identified.

Terrorism

VSO has zero tolerance for terrorist activity. Suppliers must not contravene the provisions of the [Terrorism Act 2000](#) and VSO will not have any involvement with organisations linked to or involved in terrorist offences, terrorist activities or terrorist financing.

Hospitality and gifts

VSO does not accept or allow hospitality and gifts to act as inducements. Suppliers are expected to apply the same approach to sub-contractors.

Confidentiality and Data Protection

Suppliers must keep confidential all information connected with VSO which comes to their knowledge under or as a result of working with VSO and must not disclose it to any third party or use it other than in relation to carrying out work with or for VSO.

Suppliers are expected to adhere to international best practice in relation to maintaining high levels of data security in accordance with the [General Data Protection Regulation \(GDPR\) 2016](#).

ENVIRONMENTAL STANDARDS

Suppliers must, at a minimum, comply with all statutory and other legal requirements relating to environmental impacts of their organisation. Suppliers are expected to take sufficient steps to protect the local environment and the communities they work in. Areas to consider include waste management, energy use, chemical and hazardous materials, air emissions, conservation, packaging and sustainability.