

CAPITA

Our Supplier Charter

June 2019

Version 1:0

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Why it matters to us all:

A message from our Chief Procurement Officer

“We want to work with suppliers who share our values and support us in delivering our purpose to create better outcomes”

We value the business relationships we have with our suppliers and seek to build lasting relationships, treating our suppliers and partners fairly and paying promptly. We want to work with suppliers who share our values and support us in delivering our purpose to create better outcomes. Our aim is to encourage and work with suppliers to achieve the highest standards within our supply chain. Thus, we are committed to working with our supply base to ensure that together we can achieve wider social, economic and environmental benefits.

This Supplier Charter sets out some basic principles of how we will conduct business in an open, honest and transparent manner and the behaviours and practices we expect of our suppliers and partners. Throughout the charter we apply the core principles of the Social Value Act which we are embedding as business as usual.

We understand that different aspects of this charter will be more relevant to some than others, depending upon the nature and scale of the supplier. We will work with suppliers of all sizes to provide support and to develop suitable targets which are appropriate to the nature and scale of the goods and services they offer.

As a minimum, we expect both ourselves and our suppliers to comply with all applicable local laws and regulations providing safe working conditions, treating workers with dignity and respect, acting fairly and ethically and using environmentally responsible practices where practicable.

We will continuously review and develop this charter in collaboration with our suppliers to reflect changing standards in social, environmental and digital best practice.

In addition, as part of Capita's ongoing transformation Group Procurement is undergoing change to improve the systems and processes that will simplify and improve the way we work with our supply chain.

We will notify our suppliers of any breaches to this charter within five working days of becoming aware of a breach and it is a requirement that our suppliers to do the same. If these breaches are considered a material risk to either us or our suppliers, we will both have the right to terminate our agreement.

John Cromack,
Chief Procurement Officer

Our Purpose

We have a clear purpose: **we create better outcomes.**

Our purpose is the reason we exist, beyond making profit. It helps motivate and inspire us all to go above and beyond for our clients, employees and suppliers. Underpinning our purpose are a clear set of values and behaviours which define our culture as an organisation. We believe that acting according to these values and behaviours is the right way to do business responsibly for the long term and we expect all suppliers to share these values.

Our Values

Our values are really important to us. They define who we are as an organisation and how we go about our daily work.



Responsible Business

Our responsible business strategy sets out our approach to addressing the most material challenges that our business and society face; youth unemployment, digital inclusion, gender equality, climate change and business ethics. We want to work with our suppliers to tackle these issues together and promote and maintain high standards of social, environmental and ethical conduct.

We will continually review our supply base to ensure it delivers better outcomes for customers while addressing the needs to reduce supply chain complexity and improve service quality.

We expect suppliers to share our values

Our values and the behaviours that support them are available by visiting:

<https://www.capita.com/about-us/our-values>

Our responsible business strategy is available by visiting:

<https://www.capita.com/responsibility>

Health, Safety and Environment

Capita's Health, Safety and Environmental Policy details how we care for our people and environment wherever we work and whatever hazards may exist. We are committed to always conducting our business activities in a manner that prevents the injury and ill health of our employees and others. Our decision making seeks to prevent pollution and reduce our environmental impacts.

Our Health, Safety & Environmental Policy is available by visiting:

<https://www.capita.com/about-us/policies-and-principles/>

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| <p>We will</p> <ul style="list-style-type: none"> • Not compromise on health and safety. We all have a responsibility for ensuring the health, safety and welfare of our employees, contractors and visitors at all of our locations. • Collaborate with our suppliers to provide a safe supply chain. • Reduce our carbon footprint, use resources wisely and deliver our services to clients in an environmentally sustainable manner. • Procure goods and services in a way that achieves value for money while minimising environmental impact. • Use sustainability criteria in the assessment and selection of our suppliers. • Maximise local spend and employment including SMEs and Voluntary, Community & Social Enterprises. | <p>What this means for our suppliers</p> <ul style="list-style-type: none"> • Make proper provision for the health, safety and the welfare of all your employees, contractors, visitors and those in the community who may be affected by your activities. • Provide appropriate training to ensure capable and competent employees. • Carry out your business activities with respect to the environment, measuring, managing and reporting on your environmental performance. • Purchase products and services that are responsibly and ethically sourced. • Work with us to provide sustainable alternatives where practicable. • Where possible we will engage with local businesses to support contract delivery. |
| <p>What we will achieve together</p> <ul style="list-style-type: none"> • Provide a safe and healthy workplace. • Act to positively impact our employees' health and wellbeing. • Comply with all applicable health, safety and environmental laws and aim to create a safe working environment for employees and anyone else affected by our businesses. • Collaborate to ensure that we lessen the impact of our operations on the environment. | |

Business Ethics

Capita expects the highest standards of ethical conduct in all its endeavours, complying with the law and not engaging in corruption, extortion, embezzlement or bribery to obtain an unfair or improper advantage. Our Anti-bribery and Corruption Policy and Financial Crime Policy details how we operate transparently and with vigilance to deter and support the detection and investigation of bribery and corruption and how we protect our business, our people, our clients and their customers from being victims of financial crime.

Our Anti-Bribery & Corruption Policy and Financial Crime Policy are available by visiting:

<https://www.capita.com/about-us/policies-and-principles/>

We will

- Provide a clear and fair procurement process and seek to build lasting relationships with our suppliers.
- Assess our supply chains adherence to this Supplier Charter by carrying out appropriate due diligence, desktop audits and site visits (where appropriate).
- Reward good supplier performance through repeat business opportunities.
- Make payments in accordance with agreed payment terms.
- Identify and manage situations where there could be any potential conflicts of interest.
- Carry out appropriate audits of our Suppliers as is necessary to verify compliance.
- We will seek to promote greater use of Social Enterprises.

What this means for our suppliers

- Apply the principles of this charter across your supply chain.
- Respond to any due diligence requests from us in a timely manner.
- Will not offer, give or accept anything of value that may be viewed as, or has the effect of, improperly influencing business decisions.
- Make Capita aware of any potential conflicts of interest as soon as they are known.

What we will achieve together

- Comply with all applicable laws relating to the prevention of bribery, corruption, fraud, tax evasion or similar or related activities.
- Capita supports the Government's aspiration that a third of its external supplier spend goes to micro and small medium-sized businesses by 2022.
- We are also committed to meeting the Government prompt payment code, ensuring full compliance on payment terms for our Micro and SME suppliers
- Comply with competition (antitrust) laws in the countries where we operate or sell product or services.
- Protect our businesses, people, clients and customers from being victims of financial crime.

Human Rights

We believe human rights are basic rights and that every individual should have the freedom to lead a dignified life, free from fear or want, and free to express independent beliefs. We have zero tolerance for modern slavery in all its forms of slavery and servitude, forced or compulsory labour and human trafficking. Our Human Rights Policy sets out our commitments to ensure we run our business in line with the principles of human and labour rights set out in the United Nations' Universal Declaration of Human Rights (UNUDHR) and the International Labour Organisation (ILO) fundamental conventions on labour rights. Our Modern Slavery Statement outlines the actions we take to stamp out modern slavery in our operations and supply chain.

Our Human Rights Policy and Modern Slavery Statement are available by visiting:

<https://www.capita.com/about-us/policies-and-principles/>

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| <p>We will</p> <ul style="list-style-type: none"> Uphold the highest standards of human and labour rights as detailed in the United Nations' Universal Declaration of Human Rights (UNUDHR) and the International Labour Organisation (ILO) fundamental conventions on labour rights. Not accept child labour and any practice that inhibits the development of children. Ensure that all employment is freely chosen Prevent modern slavery in all of its forms in our business and our supply chain. | <p>What this means for our suppliers</p> <ul style="list-style-type: none"> Never use or support practices that inhibit the development of children. Not hold an individual or group in slavery or servitude. This includes any form of physical or mental coercion. Not use any form of involuntary labour including forced, compulsory, prison or debt-bonded labour. Not traffic individuals or groups for the purpose of labour exploitation. |
| <p>What we will achieve together</p> <ul style="list-style-type: none"> Uphold the highest standards of human and labour rights as detailed in the United Nations' Universal Declaration of Human Rights (UNUDHR) and the International Labour Organisation (ILO) fundamental conventions on labour rights. | |

Diversity and Inclusion

We are a large, international organisation which employs people from a wide variety of backgrounds, origins, experiences and cultures. We see diversity as a strength. We seek to promote a culture that appreciates and respects the diversity of our workforce and respects and observes the individual human rights of those who work with us. As detailed in our Diversity and Inclusion Policy, we support equality, diversity and inclusion.

Our Diversity & Inclusion Policy is available by visiting:

<https://www.capita.com/about-us/policies-and-principles/>

We will

- Treat people fairly and with respect.
- We will have a workforce that reflects the diversity of our communities and is inclusive, so that all employees can bring their 'whole selves' to work.
- Prevent bullying, harassment or unlawful discrimination of any kind.
- Not accept child labour and any practice that inhibits the development of children.
- Ensure that all employment is freely chosen.
- Prevent modern slavery in all of its forms in our business and our supply chain.

What this means for our suppliers

- Value diversity and promote an inclusive workplace which respects and observes the individual human rights of all your employees.
- Prevent harassment or discrimination towards employees, including all forms of physical, verbal or psychological abuse.

What we will achieve together

- Inclusive workplaces where diversity is valued.

Information & Cyber Security

We expect the highest standards of information and cyber security, regardless of whether information is ours, our clients, or people outside Capita. Everyone has a shared responsibility to keep Capita and our client's information safe, and all IT systems which process digital information secure.

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| <p>We will</p> <ul style="list-style-type: none">• Identify and manage information risk throughout each stage of our supplier relationships.• Embed information security requirements in formal contracts and obtain assurance that they are met. | <p>What this means for our suppliers</p> <ul style="list-style-type: none">• Have established information security policies and procedures in place.• Provide regular information security and data protection training for all staff.• Have implemented IT security controls, e.g. AV, patching, network security.• Have implemented physical security controls, e.g. barriers, CCTV, access control, monitoring.• Conduct pre-employment background checks/vetting on new employees.• Have implemented risk management protocols, e.g. internal audits, risk audits. |
| <p>What we will achieve together</p> <ul style="list-style-type: none">• Maintain integrity and confidentiality of our business relationship.• Retain secure and accurate records of all communication and transactions. | |

Privacy

Privacy is very important to us as an organisation. We respect the privacy of individuals and process information in a way which reflects that. When we process personal information (including sensitive personal data), we ensure that we follow all applicable laws. This includes laws on the collection, storage, use, retention, transfer and deletion of personal information.

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| <p>We will</p> <ul style="list-style-type: none">• Respect our suppliers' intellectual property and use appropriate non-disclosure or confidentiality agreements to protect this.• Seek permission from our suppliers before communicating anything externally, including on social media channels. | <p>What this means for our suppliers</p> <ul style="list-style-type: none">• Respect Capita's intellectual property rights and use appropriate non-disclosure or confidentiality agreements to protect this.• Protect the personal information of our staff and customers.• Seek permission from Capita before communicating anything externally, including on social media channels, regarding its relationship with Capita and our subsidiaries that is not in the public domain. |
| <p>What we will achieve together</p> <ul style="list-style-type: none">• Comply with relevant data protection and privacy laws in the countries in which we operate. | |

Reporting on Breaches

We require suppliers to report any compliance issue of this charter to us within five working days, failure to do so will be a breach of this charter. We expect that within one working month of the reported breach the supplier will provide to us what corrective actions they will take with appropriate timelines.

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| <p>We will</p> <ul style="list-style-type: none">• Respect a culture of staff/contractors speaking up without fear of retaliation against those that report actual breaches.• Carry out appropriate audits of our suppliers as is necessary to verify compliance• Ensure reports will be treated confidentially and anonymously, where permitted by law.• Investigate any issue raised and discuss findings with the supplier. | <p>What this means for our suppliers</p> <ul style="list-style-type: none">• Employees or contractors may report actual or suspected breaches of this charter directly to Capita.• They will assist in any investigation and provide access to any information that is reasonably requested. |
| <p>What we will achieve together</p> <ul style="list-style-type: none">• An open and transparent supply chain that is world leading, setting standards in the workplace, environment and data protection. | |

Community Involvement

Capita is committed to supporting the communities in which we operate, and we encourage our suppliers to do the same, fostering social and economic development and contributing to the sustainability of our local communities. Our Community and Charity Policy details our approach.

Our Community & Charity Policy is available by visiting:

<https://www.capita.com/about-us/policies-and-principles/>

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| We will <ul style="list-style-type: none">• Tackle our sustainable priorities by partnering with charity and community organisations.• Work with our suppliers, where practicable, to tackle socio-economic issues relevant to both of us. | What this means for our suppliers <ul style="list-style-type: none">• Encouraged to seek opportunities to address local socio-economic issues in the communities they operate.• Encouraged to work with Capita supporting the delivery of our community programmes. |
| What we will achieve together <ul style="list-style-type: none">• Thriving communities where we made a positive contribution to society. | |

Contact

For further information or if you have any queries, please contact our Procurement Helpdesk: Procurehelp@capita.co.uk.

Capita plc

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