

Version 1

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Supplier Code of Conduct

Airservices Australia

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Introduction

Airservices Australia (Airservices) is a government-owned organisation established by the *Air Services Act 1995*. We are a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act (2013)*. We have enterprise-wide policies and strategies to ensure that the management of economic, social, and environmental risks and opportunities is embedded into our business strategy and day-to-day operations.

As Australia's air navigation services provider, Airservices provides safe, secure, efficient, and environmentally responsible services to the aviation industry and community. Our purpose is to connect people with their world safely.

Airservices is committed to ensuring high standards of environmental, social, and governance performance within its supply chain. This commitment is driven by the same core values that guide our business: Safe Always, Service First, Love What We Do, Work as One, and Own It. These values underpin Airservices' Code of Conduct.

The Supplier Code of Conduct (the Code) supports Airservices to uphold its core values through supplier relationships which create long term, sustainable value for our stakeholders. The Code communicates our expectations of our own business, and of the suppliers' providing goods and services to Airservices ("Suppliers").

Airservices is committed to continuous improvement and this document is subject to modification from time to time. The latest version of the Code is available on Airservices' Information for Suppliers webpage (<https://www.airservicesaustralia.com/about-us/information-for-suppliers>).

Suppliers are encouraged to read, understand, and seek to align to the expectations outlined in the Code within their own operations and supply chains.

If you have any questions in relation to our Code, please contact sustainable.procurement@airservicesaustralia.com.

For more information about our environmental, social and governance commitments, please visit www.airservicesaustralia.com/community/environment/sustainability.

Application of Code

Our Suppliers are encouraged to align with the expectations outlined in the Code.

We seek to work constructively, transparently, and cooperatively with our suppliers to support them to meet our expectations.

The expectations outlined in this Code extends to all suppliers, their employees, subcontractors, and supply chain.

Our procurement decisions may be informed by a supplier's ability to meet or exceed the expectations of the Code.

The Code does not impose enforceable obligations on our suppliers and does not form part of our supply contracts. If there is any inconsistency between an expectation set out in the Code and the terms of a contract between Airservices and a supplier, the contract will always prevail.

Our expectations

1. Business governance, risk management, conduct and ethics

Airservices is committed to conducting its business in a manner which is both legally compliant and consistent with high ethical standards. Airservices has a robust risk management framework that includes systems and procedures for identifying, assessing, managing, and mitigating risks in relation to the areas addressed in the Code.

Airservices is committed to working with suppliers who share our commitment to ethical and sustainable business practices and who operate in a way that aligns with our values and expected behaviours.

We expect our suppliers to:

- Comply with all applicable laws and regulations in all locations where the supplier conducts its business.
- Act in accordance with high standards of business ethics.
- Notify Airservices of any legal breaches and take reasonable steps to address and remediate those.
- Maintain sound administration and governance processes.
- Take a proactive approach to mitigating and managing risks, including using effective business continuity planning to manage the impacts of business disruption and critical incidents.
- Have an effective risk management framework which incorporates social, ethical, safety and environmental risks into their risk management processes and systems to identify and manage risks and critical incidents.

Bribery and corruption

- Suppliers are expected to adopt a zero-tolerance approach to corrupt practices including bribery and extortion and to maintain effective procedures to prevent employees, contractors, and subcontractors from engaging in bribery or corruption.

Conflicts of interest

- Suppliers are expected to disclose and avoid and/or appropriately manage any actual or potential conflicts of interest arising due to either personal or business relationships in relation to its relationship with Airservices.

Grievance mechanism

- Suppliers are expected to have an effective grievance and reporting mechanisms in place to ensure the safety of employees or other persons who raise concerns in good faith.

Gifts, benefits and hospitality

- Suppliers are expected to ensure that they do not offer gifts, benefits, or hospitality that:
 - could inappropriately influence, or be perceived to inappropriately influence, the outcome of business transactions; or
 - could be perceived to obtain any unfair or inappropriate advantage. Any gift, benefit or hospitality offered to Airservices employees or representatives is expected to be fully visible to Airservices and to be limited to basic and modest offerings.

2. Work, health and safety

In addition to complying with all applicable health and safety laws, Suppliers are expected to provide a healthy and safe working environment for their workers and to minimise health, safety, and wellbeing risks so far as is reasonably practicable.

- Where relevant, Airservices will work with Suppliers to ensure appropriate risk controls are in place.
- Proactively manage health and safety risk to identify, record, assess and effectively manage workplace hazards and enable Suppliers to take reasonably practicable steps to prevent work-related injuries and illness.
- Support worker safety by providing workers with clean and safe working conditions, training and appropriate resources including personal protective equipment, tools, safe systems of work and facilities.
- Maintain emergency plans and procedures which are regularly tested and reviewed, and train workers so that the plans and procedures can be implemented safely and effectively.
- Based on the type of goods or services provided to Airservices, Suppliers may be requested to provide evidence of work, health and safety management systems and adhere to site specific requirements.

3. Human rights and labour practices

Respect for human rights underpins the way we do business. Our approach to human rights is guided by the United Nations ('UN') Guiding Principles on Business and Human Rights, the UN Universal Declaration on Human Rights, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. In line with the UN Guiding Principles on Business and Human Rights, Airservices recognises the duty of States to protect human rights and the responsibility of businesses to respect human rights.

We expect that our suppliers' aim to be free from modern slavery and to not rely on practices that would amount to 'modern slavery' under the *Modern Slavery Act 2018 (Cth)*. We also expect our suppliers to comply with general human rights principles and standards in their operations, labour practices and supply chains. Fundamentally, this means treating people with dignity, equality, and respect.

Child labour and young workers

- We expect our suppliers to ensure they do not under any circumstances directly or indirectly use child labour¹. We expect our suppliers to ensure they understand and comply with legislation concerning the minimum age of workers, and the protections which must be afforded to young workers. Within an Australian context, Airservices expects suppliers to apply the Fair Work Ombudsman's guidance as to the protection of young workers.

Forced, bonded and involuntary labour and human trafficking

- Suppliers should not use any form of forced or involuntary labour, and we expect our suppliers to give local and migrant workers the right and ability to leave employment when they choose.

Employment information

- Suppliers are expected to provide their workers with clear, accurate, and complete employment documents which are understandable by them, and which are in accordance with their legal rights.

¹ In accordance with the International Labour Organisation Convention No. 138 concerning the Minimum Age for Admission to Employment

Non-discrimination

- Suppliers should provide a workplace where all employees have equitable access to opportunities free from harassment, discrimination, and bullying.

No retaliation

- Suppliers should ensure employees are treated with respect and are protected from retaliation if concerns are raised about business conduct.

Freedom of association and collective bargaining.

- Suppliers should allow workers the right to join (or not join) or form trade unions and to bargain collectively.
- Suppliers should ensure workers are not intimidated, harassed, or discriminated against in the exercise of these labour rights.

Lawful and fair compensation

- Suppliers should provide fair and appropriate pay and benefits that meet or exceed legal minimum local living wages and the requirements of relevant collective bargaining agreements.

Working hours

- Suppliers should regulate working hours appropriately to adhere to both legal requirements and to industry benchmarks if these will deliver improved outcomes for the health, safety, and well-being of workers.
- Suppliers should ensure all overtime work is voluntary, and employees are not required to exceed the local legal limits for regular and overtime hours.

4. Diverse and inclusive supply chain

Airservices is committed to ensuring our supply chain reflects the communities in which we operate. We aim to build and promote a culture of economic inclusion which respects, encourages, and values diverse suppliers². We expect our suppliers to:

- Respect diversity and create opportunities within their own supply chains for minority owned businesses, treating all business owners with respect, equity, and dignity.
- Work with Airservices to identify and pursue subcontracted (tier 2) opportunities for diverse owned suppliers across our supply chain.

5. Environmental and climate change risk management

Airservices is committed to ensuring environmental and climate change risks and opportunities are managed responsibly. We expect our suppliers to assess, manage, and transparently report on their environmental performance. This should cover the environmental and climate change risk impacts of the development and ongoing operations of the goods and services. Airservices expects suppliers to:

- Make available relevant information regarding the environmental credentials of the goods or services they supply to Airservices.
- Have an effective environmental management framework in place to support environmental protection and mitigate environmental risk (addressing, for example, water, energy, hazardous materials, conflict minerals, air quality and emission reduction, deforestation, waste, biodiversity, and other significant risks and opportunities).

² Airservices defines a Diverse Supplier as those that are at least 50% diverse owned and controlled.

- Seek opportunities to improve the environmental sustainability of the goods or services they supply, including production, transportation, operation, and disposal.
- Set appropriate environmental targets and wherever possible support achievement of Airservices' environmental targets.
- Respect land rights and demonstrate legal rights to use land.

Supply chain risk management and assessment

We want to work with suppliers who share our values and align with the expectations of this Code.

Airservices proactively identifies, assesses, and manages risks in our supply chain. Commitment to risk management and corrective action systems are key to a reliable supply chain for Airservices. This allows us to make determinations as to suppliers' standards, practices, and management across a range of risks. On this basis, suppliers are evaluated on their suitability to provide products or services to Airservices. A combination of questionnaires, due diligence and third-party data may be used to make these assessments.

We expect that our suppliers will:

- Maintain policies, processes and standards that reflect the expectations in the Code.
- Be able to demonstrate alignment with the expectations of the Code when completing a tender request, during risk profiling or onboarding and throughout the life of the arrangement if requested.
- Explain the Code to their employees and subcontractors.
- Endeavour to align their own supply chains to the expectations of the Code.
- Make timely and balanced disclosure of material legal, ethical, social, and environmental matters that may adversely impact Airservices.
- Respond to all information requests, including risk assessments and due diligence questionnaires, in a timely manner.
- Provide open, honest, and complete information.
- Provide all requested supporting documentation.
- Support (on a reasonable basis) request by Airservices (directly or through a third party) to conduct an audit, assessment, inspection, investigation, or review of their business practices and/or sites in a timely manner.
- Complete agreed remediation action plans, where required.
- Make continuous improvements in the areas identified in the Code.

Airservices recognises that meeting the expectations of the Code may take time for some Suppliers, and we commit to work with our Suppliers to help them implement remediation plans to improve their operating and risk management practices.

If unable or unwilling to meet expectations of this Code, Airservices may reconsider its business relationship with the Supplier, subject to contractual obligations.

Raising a concern

Airservices' employees, suppliers, their employees, and subcontractors can confidentially report concerns about improper conduct by Airservices, the Supplier, or any other party in the supply chain without fear of retaliation or victimisation, concerns can be raised via:

- email to: sustainable.procurement@airservicesaustralia.com and/or
- the Modern Slavery Incident Reporting portal at www.airservicesaustralia.com/about-us/information-for-suppliers (for confidential and if preferred anonymous suspected reports of modern slavery).

In emergencies, where there is immediate danger, or where a child is involved, call your local enforcement authorities and/or emergency services.

To report modern slavery in Australia, call the Australian Federal Police on 131 237 or report through their website www.afp.gov.au.

Information about how Airservices receives and manages Public Interest Disclosures can be sourced through emailing: pid@airservicesaustralia.com.