

AWE Supplier Code of Conduct



AWE Supplier Code of Conduct

We are committed to acting with integrity in everything we do and upholding the highest standards of corporate behaviour.

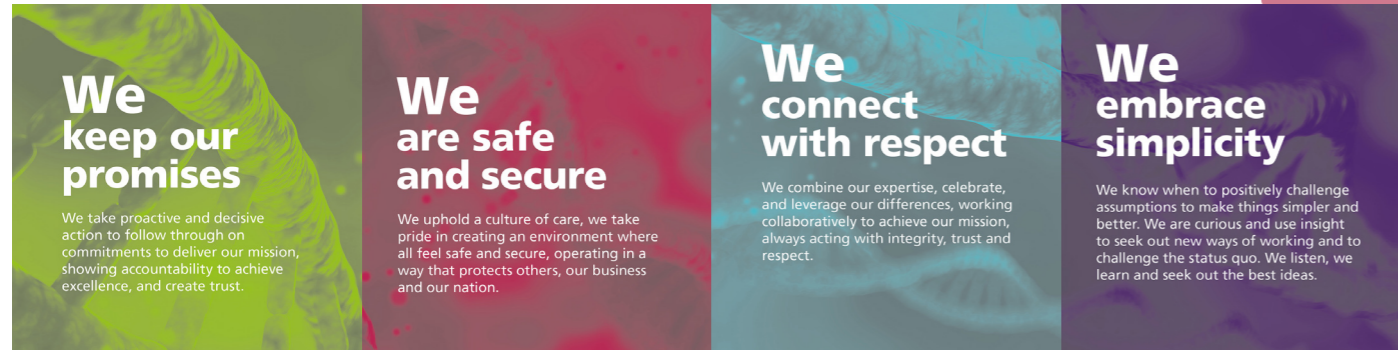
Our company policy states our aim to continuously improve, and as a

minimum we will:

- comply with all legal, regulatory obligations and meet all agreed stakeholder and customer requirements;
- protect the environment, prevent pollution, reduce the use of natural resources, water and energy, and seek to minimise incidents, injuries and ill-health;
- maintain a positive contribution to the local community;
- work in partnership with all stakeholders, employees, contractors and suppliers to ensure our policies, standards and expectations are communicated and embedded in all our activities; and
- measure our performance, setting improving targets and adopting best practice.

We recognise that our suppliers are vital to supporting our mission to deliver nuclear warheads for the UK's strategic nuclear deterrent and support national security. When selecting suppliers, we seek to partner with reputable businesses who are committed to similar ethical standards and business practices.

The AWE Supplier Code of Conduct (the Code) sets the standards expected from our suppliers including AWE's focus on four key behaviours which we expect all contractors to abide by and promote:



We expect our suppliers to share these principles with their sub-contractors supporting AWE contracts to ensure alignment across our entire supply chain, whilst ensuring compliance with all applicable legal and industry requirements.

We look forward to working with you and thank you for your shared commitment.

Human rights

We expect our suppliers to foster an inclusive work environment where individuals are treated with respect and dignity, diversity is embraced, and everyone is valued on their merits.

All suppliers must comply with applicable laws and regulations in relation to human rights and employment laws in the jurisdictions in which they work and have robust means of ensuring that the subcontractors in their supply chains are also compliant.

Child labour and Modern slavery

We expect our suppliers to ensure that child labour is not used in the performance of work. The term 'child' refers to any person under the minimum legal age for employment where the work is performed.

We expect our suppliers to not engage in the use of any form of modern slavery (involuntary labour or forced labour, including bonded/debt bondage, indentured labour, slavery, or trafficking of persons).

AWE expects its suppliers to put in place adequate procedures to ensure they are not directly or indirectly, through their supply chain, involved in any form of modern slavery.

Workplace

Fair pay and benefits

Suppliers must ensure that all wages meet local minimum wage requirements and locally mandated benefits. Any overtime must be aligned with workers contracts or be voluntary and workers should receive adequate compensation for any overtime worked. Standard hours must not exceed legal limits and overtime must not exceed the maximum allowed by law. AWE does not allow opt-outs from the Working Time Regulations and contractors on our sites should be cognisant of this and work within the working hours' limits without an opt-out.

Collective bargaining

Suppliers are expected to recognise and respect any rights of individuals to join a Trades Union.

Diversity and inclusion

At AWE, we are committed to equality at work and embracing diversity and inclusion in all aspects of our work. We expect our suppliers to ensure employment is based on ability and not to discriminate.

Respectful workplace

All staff have the right to respectful treatment. We will not tolerate discrimination, bullying, (physical, psychological or verbal), harassment, violence or victimisation in the workplace. We expect our suppliers to provide the same commitment.

Drug and alcohol-free workplace

We expect our suppliers to maintain a workplace free from illegal drugs, and to ensure their staff recognise that AWE is a drug and alcohol-free workplace.

Raising concerns

We expect our suppliers to provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. We expect our suppliers to take action to prevent, detect and correct any retaliatory actions. Contractors may contact the independent helpline provided to AWE by Safecall. Call 0800 915 1571 or log on at www.safecall.co.uk/en/clients/awe.

Anti-corruption

Our suppliers should act ethically and not engage in any form of corrupt practices.

Anti-corruption and bribery

AWE has a zero-tolerance approach to bribery and corruption.

Suppliers must adhere to all applicable anti-bribery and anti-corruption laws and regulations in the UK and those countries in which they operate.

Suppliers must not offer, give or accept anything of value that may be viewed, or has the effect of improperly influencing business decisions.

We expect our suppliers to be vigilant and be proactive in identifying fraudulent practices and the risk of fraud, in their business. This includes the offer and/or receipt of any bribe or kickback to and/or from any customer, supplier, or others. Specifically prohibited are facilitation payments (payments made to expedite or secure performance of routine governmental action like obtaining a visa or customs clearance), even where such activity may not violate local law.

Gifts and hospitality

AWE develops business relationships based on the highest levels of trust, integrity, and respect.

We expect our suppliers to compete on the merits of their products and services. Suppliers must not offer or give gifts or hospitality to gain an unfair competitive advantage. Nor should they accept gifts in return for any business transactions.

AWE requires all our staff to record gifts and hospitality received by them. There are strict limitations and staff may only accept 'very low value' business related gifts or hospitality.

Suppliers must ensure that the offering or receipt of any gift or hospitality is permitted by law and regulation and should have in place their own Gifts and Hospitality Register which their staff should use to declare gifts and hospitality whether accepted, rejected, or given/offered to a third party.

Competition and Anti-trust

AWE's suppliers are expected to compete fairly for new work in accordance with the Public Procurement Regulations which apply to AWE procurements, and not undertake actions which have, or aim to have, the effect of undermining fair competition.

We expect our suppliers to conduct business in accordance with all applicable competition (anti-trust) laws and regulations in the countries where they operate. This includes avoiding business practices such as entry into arrangements that unlawfully restrain competition, improper exchange of competitive information, price fixing, bid rigging, or improper market allocation.

Conflicts of interest

We expect our suppliers to avoid all conflicts of interest, or situations giving the appearance of a potential conflict of interest, in their dealings with AWE.

All suppliers must make AWE aware of any situations of potential or apparent conflicts between their personal interests and those of AWE as soon as they are known.

Global trade

Import and export controls

We expect our suppliers to ensure that their business practices are in accordance with all applicable laws and regulations governing the export and import of domestic, foreign origin parts, components and related technical data.

Counterfeit parts

We expect our suppliers to develop, implement and maintain processes appropriate to their products and services to minimise the risk of introducing counterfeit parts and materials into deliverable products. Effective processes should be in place to detect counterfeit parts and materials and prevent such parts re-entering the supply chain.

Conflict minerals

We expect our suppliers to comply with appropriate laws and regulations regarding conflict minerals which include tin, tantalum, gold and tungsten. Suppliers should establish policies and processes to reasonably assure themselves that any of the above minerals which may be contained in the products they manufacture do not directly or indirectly finance or benefit armed groups that are perpetrators of human rights abuses. Suppliers must implement appropriate due diligence on the source and chain of custody of these minerals and as a minimum require the same from the next tier suppliers.

Information protection

It is essential that our suppliers safeguard the integrity and security of their systems and comply with AWE standards and guidance including application of the security classifications policy. We expect all parts of our supply chain, whether direct suppliers or

sub-contractors, to have applied sensible and proportionate cyber security measures as described in Cyber Security for the AWE Supply Chain. Suppliers must inform AWE as soon as possible if they become aware of any cyber security incident that affects or has the potential to affect AWE data.

Both AWE and our suppliers have a duty to respect personal information and ensure it is protected, handled responsibly and only used for the purposes for which it is provided. Our suppliers must ensure that all personal information is controlled in accordance with, and their data and information systems comply with, applicable laws and regulations. Information should not be used for any purpose (e.g. advertisement or publicity) other than the business purpose for which it was provided, unless there is prior authorisation from AWE. Any actual or suspected breach involving data belonging to AWE must be reported to AWE as soon as the supplier becomes aware of it.

Health, Safety, Environment & Quality

The management of environment, safety and health (ESH) underpins all activities at AWE. The requirement to work safely and securely remains at the heart of AWE's business and operations and one that we are committed to be able to demonstrate readily to our employees, our customers, our suppliers, our regulators and our neighbours.

We expect the same commitment from our suppliers and that they comply with applicable environmental, safety and health laws, regulations, policies and procedures.

Health and safety

Suppliers must provide for the health, safety and welfare of their people, contactors, visitors and others who may be affected by their operations.

We require that everyone who works for or with us to understand the health and safety risks of their activities and apply suitable health and safety management systems, training and practices in everything they do.

Environment

We expect our suppliers to operate in a manner that actively manages risk, conserves natural resources and intentionally protects the environment. We expect our suppliers to apply environmental management principles in order to establish an active systematic approach to the management of risks and opportunities associated with the environment in all that they do. Suppliers who carry out activities on our premises shall follow the requirements set out in the AWE Environmental Management System, which is certified to ISO14001:2015. AWE has several permits issued by the Environment Agency and we expect our suppliers to know which of these will be relevant to their activities or operations in order to ensure compliance with all relevant conditions.

As a public body we are legally required to consider the conservation and enhancement of biodiversity in undertaking our functions as well as target the reduction of our carbon emissions, minimise our wastes

and promote resource efficiency. We expect our suppliers to share and, where possible, actively support our company values of environmental sustainability, particularly those around enhancing biodiversity, reducing carbon, and implementing the circular economy.

Suppliers should not use materials that are considered harmful to the environment but should encourage the use of processes and materials that support environmental sustainability throughout their products and their supply chain. They should also consider the indirect products they use too, such as the impact of their packaging and deliveries.

Sustainable procurement

AWE is committed to introducing sustainable procurement in all of its processes and activities and recognises the importance of carrying out procurement activities in an environmentally and socially responsible manner. To that end AWE is aligning its approach to ISO20400 – Sustainable Procurement. We expect our suppliers to support these activities and seek to introduce innovations supporting sustainable procurement and sustainability.

Quality

We expect our suppliers to develop, implement and maintain quality processes appropriate to their products and services to deliver Goods/Services in accordance with those specified in the Contract. Suppliers shall maintain suitable and appropriate quality records providing documentary evidence that performance of the Goods/Services fully satisfies Contract requirements.

This Code of Conduct

This AWE Supplier Code of Conduct provides information that details the standards we expect from our suppliers.

Suppliers who provide works, goods, and services to AWE or on behalf of AWE are expected to comply with all aspects of the Code and agree to abide by it when accepting a contract with AWE.

Suppliers should be open and transparent with AWE and any breaches of this Code should be promptly notified to us. If non-compliance with the requirements of the Code is reported or alleged, or a supplier is found not to have the expectations laid out in the Code, the first step is for AWE to discuss it with the supplier. The relationship with AWE will be reviewed and corrective action may be taken, subject to the terms of any existing contract. If that does not result in a return to compliance, or in cases where the breach is sufficiently serious, AWE will look at appropriate alternative actions.



General disclaimer

The AWE Supplier Code of Conduct is not intended to conflict with or modify the terms and conditions of any existing contract. Should conflict arise, any existing contractual terms will take precedence.

If you have any questions regarding the AWE Supplier Code of Conduct, please contact the AWE Supplier Management Team:

scm.relmanagement@awe.co.uk

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