

Supplier Code of Conduct

This policy is effective immediately, replaces all existing policy statements and will remain in force until replaced by an authorised version.

1. Introduction

HERA is committed to sustainable procurement practices that will ideally deliver improved outcomes for the wellbeing of all New Zealanders.

2. Scope

This policy applies to all HERA suppliers, contractors and Persons Conducting Business on Behalf of HERA. The rights, standards and terms set out in the Code are in addition to the terms of any contracts between HERA and its Suppliers and will prevail over those contracts to the extent of any conflict or inconsistency. Suppliers are responsible for communicating this Code to their relevant staff, ensuring compliance and taking appropriate actions to address non-compliance.

3. Purpose

The purpose of this Code of Conduct is to confirm HERA's commitment to sustainable procurement and outline our expectations of suppliers in support of this commitment.

4. Changes in terms

We use the Treasury's Living Standards Framework to guide us on desirable procurement outcomes.

4.1 Financial and Physical Capital

HERA expects its suppliers to:

- Offer fair terms and affordable rates in any supply agreements.
- Pay their sub-contractors promptly.

4.2 Human Capital

HERA expects its suppliers to:

- Adhere to international human rights standards in their own workplace and monitor and address these standards within their supply chain. This includes the UN Universal

Declaration of Human Rights, the UN Convention on the Rights of the Child and the International Labour Organisation Core Conventions.

- Comply with all New Zealand employment laws and regulations, including workplace health and safety laws and regulations.
- Maintain a workplace that is diverse and inclusive, free from unlawful discrimination, and is healthy and safe, including having policies that promote diversity and inclusion.
- Adequately protect people's privacy and security of all confidential data, information intellectual property provided by HERA.
- Invest in the development of its people and support lifelong learning.
- Ensure all workers are voluntarily employed, lawfully entitled to work and not under any form of duress, forced, coerced, bonded, indentured or involuntary labour.
- Not use illegal or exploitative child labour.
- Pay workers a wage that enables them to live with dignity and participate as an active citizen in society.
- Allow all workers to communicate openly with management regarding working conditions and human rights without fear of reprisals, intimidation or harassment. Fosters a trusting work environment and encourages transparency.

4.3 Social Capital

HERA expects its suppliers to:

- Consider including local, Māori and Pacifica and other minority led businesses to deliver the services/contract.
- Conduct business with Māori that takes a Treaty (Te Tiriti o Waitangi) based approach, grounded in Te Ao Māori (Māori World View) to improve economic and wellbeing outcomes for Māori.
- Not engage in any form of corruption or fraud.
- Not offer or permit to be accepted or offered any kick-backs, bribes, favour, hospitality, entertainment, or any other means of obtaining or attempting to obtain undue or improper advantage regarding any business opportunity or service/product.
- Manage their business with integrity in accordance with relevant law, regulations and ethical standards.
- Be transparent about their ethical policies and practices.
- Adhere to high standards of fair business, advertising and competition, including not engaging in any collusive. Price-fixing, price discrimination or other unfair trade practices in violation of application laws.
- Disclose any actual, perceived or potential conflict of interest to HERA.

- Work collaboratively with suppliers, partners, customers and communities to deliver better outcomes.
- Foster the community's trust in their operations.

4.4 Natural Capital

HERA expects its suppliers to:

- Establish environmentally responsible business practices, services and products.
- Proactively improve their environmental performance and particularly take action on engaging with and transitioning to the circular economy.
- Conduct their business in accordance with all applicable environmental laws, permits, regulations and standards to mitigate impacts on, and protect, the environment.
- Minimise waste of all types, including water and packaging by practices such as modifying production, offsetting, maintenance, materials substitution, innovation, conservation, re-cycling, re-use and repurposing.
- Identify and manage chemicals and other materials, including air emissions, wastewater and solid waste, that might pose a hazard if released to the environment. This may include safe handling, movement, storage, use, disposal, recycling and reuse.