



1 September 2023

SUPPLIER CODE OF CONDUCT

Building social capital through banking



The BOQ Group's (BOQ) purpose aims to create positive social and economic impacts in the communities in which we operate.

The Supplier Code of Conduct (**the Code**) outlines the minimum standards that BOQ expects from its Suppliers to support this positive impact on the environment and society in which the supply chain operates and to ensure the sustainability of BOQ's end-to-end supply chain.

This Code is intended to complement BOQ's terms and conditions with its Suppliers. If there is any inconsistency between the terms and conditions of the Supplier's contract and this Code, the terms of the contract prevail to the extent of the inconsistency. For clarity, compliance with the principles of this Code is not intended to replace or substitute Suppliers' compliance with any applicable laws, regulations or industry standards.

For the purposes of this Code, 'Supplier' means any person or entity that supplies goods or services to BOQ from anywhere in the world. 'Workers' refers to directors, employees, contractors, agents, migrant, student and temporary staff of the Supplier and its related entities.

BOQ expects its Suppliers to be familiar with this Code and adhere to its principles. The ability and commitment of Supplier to meet the principles of this Code will inform BOQ's management decisions, including the procurement of goods and services.

Compliance and Governance

In the interests of ensuring a shared commitment to the principles of this Code, BOQ may ask a Supplier to self-assess its compliance with this Code. BOQ expects Suppliers to be transparent and timely in their response to such requests, including facilitating information and/or site visits where appropriate (subject to any confidentiality and other obligations), to support this self-assessment.

Where the Supplier identifies, at any time, that it is unable to meet the expectations of this Code, the Supplier should notify BOQ of any shortcomings and work with BOQ to remedy identified shortcomings.

Raising Concerns

BOQ embraces a culture of open communication and doing what's right. Suppliers are encouraged to speak up and raise any concerns on the conduct of BOQ or its representatives through:

- their main business contacts at BOQ; or
- by email to BOQ Supplier Governance at suppliergovernance@boq.com.au.

Where the Supplier is not comfortable with these options, concerns can be raised directly with BOQ's external whistle-blower service provider via:

- **Phone:** 1800 033 938, 8am-5pm Monday-Friday
- **Email:** boq@au.pwc.com
- **Mail:** PWC, BOQ Whistleblowing Service, GPO Box 336, Brisbane, QLD, 4001

Principles of the Supplier Code of Conduct

The expectation of our Suppliers extends beyond meeting the legislative and regulatory requirements of the financial services industry to ensuring a shared commitment to delivery against the following principles:

- 1. Labour and Human Rights**
- 2. Information Security**
- 3. Business Resilience**
- 4. Workplace Health and Safety**
- 5. Ethical Business Practices**
- 6. Diversity and Inclusion**
- 7. Corporate Governance**
- 8. Environmental Sustainability**
- 9. Modern Slavery**
- 10. Supply Chain**

Commitment to these principles helps ensure that BOQ's supply chain reflects our purpose, meets the continually evolving expectations of our community and helps promote sustainable development goals relevant to BOQ's supply chain.

1. Labour and Human Rights

BOQ prides itself on our human, empathetic approach and lack of tolerance for discrimination, bullying and harassment in the workplace. This extends beyond our employees and customers to our operations and in our dealings with Suppliers.

We expect that our Suppliers will:

- 1.1 Not use forced or involuntary labour, and provide fair working conditions in line with ILO Convention 1 including acceptable maximum working hours, adequate rest periods, sufficient leave and acceptable living conditions for all Workers;
- 1.2 Pay wages and benefits for a standard working week that meet or exceed national legal standards for a living wage;
- 1.3 Not require Workers to provide money as a condition of their employment, and ensure Workers are allowed to maintain control of their identification documents;
- 1.4 Strictly prohibit the use of child labour in line with ILO Convention 138 on the Minimum Age, and Convention 182 on the Elimination of the Worst Forms of Child Labour. If children are found to be working directly or indirectly for a Supplier, the Supplier shall seek a solution that considers the best interest of the child;
- 1.5 Respect their Workers' right to associate with an organisation in accordance with local legislation and recognise their right to collective bargaining and avoid corporal punishment or unfair disciplinary practices;
- 1.6 Ensure there are no forms of discrimination in respect of employment and occupation in its business, or the Supplier's own supply chain. This includes no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste,

national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation;

- 1.7 Commit to diversity and inclusion, as reflected through policies and/or processes that address equality in the Suppliers' workplace; and
- 1.8 Not tolerate harassment (verbal or physical) and/or bullying in the workplace.

2. Information Security

The information that BOQ collects, uses, accesses and stores is sensitive and valuable. Protection of this information and the privacy of our customers is of the utmost importance to BOQ and its stakeholders, as reflected in our commitments set out in the BOQ Privacy Policy published at www.boq.com.au. This necessitates that our Suppliers maintain strong information security controls when handling BOQ information. Suppliers must treat BOQ's and our customers' data as confidential information and only use that data for the purpose of providing services to the BOQ Group.

We expect that our Suppliers will:

- 2.1 Where required, implement and maintain appropriate practices, procedures and systems to protect the confidentiality and integrity of any sensitive, confidential or personal information;
- 2.2 When requested, undertake information technology (IT) controls testing and freely provide necessary information to inform assessments by BOQ;
- 2.3 Where required, provide independent IT assurance reports and/or certificates covering the design and operating effectiveness of IT controls; and
- 2.4 Operate with full transparency with regards to actual or potential information security incidents, committing to notifying BOQ in a timely manner and remediating any incidents in a collaborative manner.

3. Business Resilience

BOQ's Business Continuity Management and Disaster Recovery frameworks support the effective planning and response of the business to unplanned disruption to our operations and systems.

We expect that our Suppliers will:

- 3.1 Have in place appropriate and effective business continuity and disaster recovery management plans and processes for their business operations or systems that can be relied upon in the event of a disaster, disruption or pandemic (**Business Disruption**);
- 3.2 Have communication protocols in place that ensure BOQ is notified in a timely manner, in the event of a Business Disruption that impacts or is likely to impact critical operations or systems of BOQ; and
- 3.3 Where required, on an annual basis provide, assess, and report to BOQ on disaster recovery and business continuity arrangements in place.

4. Workplace Health and Safety

BOQ is committed to providing a safe and healthy working environment that supports mental, physical and emotional wellbeing, and this extends to our supply chain. Suppliers are expected to provide a healthy and safe work environment and to integrate sound health and safety management practices into their businesses.

We expect that our Suppliers will:

- 4.1 Comply with all legal responsibilities under the applicable legislation of the jurisdiction in which they operate;
- 4.2 Have documented policies, management plans, frameworks and systems in place regarding workplace health and safety (**WH&S**) for Workers and sub-contractors;
- 4.3 Have procedures that address the recording, monitoring and management of risks and incidents, including breaches of contract;
- 4.4 Cooperate with BOQ on WH&S incidents through the provision of evidence, risk control measures, notification of any incidents and compliance monitoring, as requested;
- 4.5 Provide Workers with a safe and clean working environment with appropriate equipment, supervision and training to perform their jobs safely; and
- 4.6 Support Workers to raise health and safety issues or concerns without fear of disciplinary action, dismissal or discrimination.

5. Ethical Business Practices

BOQ expects its Suppliers to conduct their business in an ethical manner and to act with integrity.

We expect that our Suppliers will:

- 5.1 Have in place appropriate processes and controls to identify and manage bribery and corruption risk;
- 5.2 Comply with any relevant anti-bribery, anti-corruption and anti-money laundering laws and not knowingly engage in any fraud, bribery or corrupt conduct (including facilitation payments from unlawful activity) or associate with criminal organisations or activity or sanctioned entities;
- 5.3 Not solicit or offer a gratuity, gift or social hospitality to workers of BOQ that is, or could be perceived to be, a conflict of interest, including facilitation of payments to win and/or keep business or influence decision makers;
- 5.4 Act in a fair, honest and professional manner in all dealings with BOQ workers and associated contractors and consultants;
- 5.5 Have appropriate policies and/or processes in place such that Workers and other parties of the Supplier can raise concerns in a confidential way and without fear of retaliation;
- 5.6 Conduct business in a way that shows best practice corporate management. This includes promoting a collaborative relationship where BOQ and Supplier work together to resolve issues in a timely and respectful manner; and
- 5.7 Comply with relevant tax laws and not engage in any applicable tax evasion offences, nor facilitate the evasion of taxes by other parties.

BOQ will not condone or conduct business with Suppliers that use bribery, corruption or facilitation payments and do not have effective controls in place to prevent and detect such practices.

6. Diversity and Inclusion

BOQ values diversity and inclusion within its supply chain. This includes differences that relate to gender, age, cultural background, disability, religion and sexual orientation, as well as differences in background and life experience and interpersonal and problem-solving skills. We encourage our Suppliers to promote and increase Supplier diversity within their organisation and supply chain by seeking equitable, mutually beneficial opportunities with a broad range of businesses (for example, small and medium-sized enterprises (SMEs), social enterprises, businesses that support and employ people with disabilities and

businesses owned by women, those who identify as LGBTQIA+ and Aboriginal and Torres Strait Islanders.

It is widely acknowledged that Aboriginal and Torres Strait Islander businesses empower and support Aboriginal and Torres Strait Islander owners, as well as their families and communities, fostering positive social and economic outcomes. Aboriginal and Torres Strait Islander businesses are more likely to employ Aboriginal and Torres Strait Islander peoples, which in turn empowers Aboriginal and Torres Strait Islander peoples and communities to determine their own futures. In the BOQ Innovate Reconciliation Action Plan we attest our commitment to increasing Aboriginal and Torres Strait Islander supplier diversity to support improved economic and social outcomes and encourage our Suppliers to do the same.

We expect that our Suppliers will:

- 6.1 Contribute to the development of local communities affected by their operations by creating employment opportunities and developing skills at a local level;
- 6.2 Actively seek to engage suppliers, contractors and sub-contractors owned or operated by minority groups;
- 6.3 Endeavour to ensure that candidate shortlists are gender balanced where possible and include a diverse mix of suitably skilled candidates; and
- 6.4 Work to minimise any perceived barriers against Workers from diverse backgrounds.

7. Corporate Governance

BOQ values the highest standards of ethical practice and governance and acknowledges the value of strong corporate governance in minimising risk and increasing operational effectiveness.

We expect that our Suppliers will:

- 7.1 Comply with all laws that apply to the jurisdiction(s) in which the Supplier operates, as well as with regulations and compliance obligations that relate to all products and services they provide to BOQ;
- 7.2 Comply with BOQ Policies and Standards where instructed;
- 7.3 Have in place procedures and controls that identify and manage conflicts of interest appropriately, and declare to BOQ any conflicts, whether real or perceived, actual or potential, as they arise;
- 7.4 Respect the privacy of Workers and customers and comply with all laws in the collection, use and protection of personal information;
- 7.5 Maintain the confidentiality of BOQ's information;
- 7.6 Actively manage risks within the Supplier's business and bring any material risks related to their products and services to BOQ's attention in a timely manner;
- 7.7 Notify BOQ of any identified shortcomings relative to this Code;
- 7.8 Meet contractual obligations to BOQ and their own suppliers; and
- 7.9 Take responsibility to continually improve social and environmental conditions in the communities in which they operate.

8. Environmental Sustainability

BOQ takes its responsibility to protect the environment in which we operate seriously and expects its Suppliers to be committed to minimising the adverse environmental impacts of their operations, products, and services.

We expect that our Suppliers will:

- 8.1 Comply with all relevant environmental laws, regulations and standards. Where such laws do not adequately protect the environment, we expect standards will be developed by relevant Suppliers to minimise any adverse environmental impacts arising from their operations, products and services;
- 8.2 Demonstrate an ongoing commitment to environmentally conscious practices and, for relevant Suppliers, maintain environmental objectives and targets that identify, measure and reduce significant environmental impacts;
- 8.3 Support BOQ in its commitment to transition to a net zero economy. Relevant Suppliers are expected to work with BOQ to identify and implement approaches that help reduce our environmental footprint and improve environmental outcomes; and
- 8.4 When requested, provide available information to assist BOQ to calculate our environmental footprint.

9. Modern Slavery

BOQ recognises that we have an obligation to minimise incidents of slavery, slavery-like practices and human trafficking in our processes and supply chains. We are committed to acting ethically and taking steps to ensure that there is no modern slavery in our business practices, operations and supply chains. Modern Slavery is a crime and a violation of human rights and includes trafficking in persons, slavery, servitude, forced labour, forced marriage, debt bondage and deceptive recruiting for labour or services.

We expect that our Suppliers will:

- 9.1 Comply with all relevant modern slavery laws and regulations;
- 9.2 Exercise due diligence to reasonably assure that the resources and services that they use in their supply chains, or those of their suppliers, are not supplied by businesses or organisations engaged in modern slavery as defined in the *Modern Slavery Act (2018)* (Cth); and
- 9.3 Immediately inform BOQ if they identify, are informed of or become aware of instances or allegations of modern slavery in their operations and supply chains.

10. Supply Chain

BOQ recognises that engaging and collaborating with its Suppliers is key to long-term relationships that reflect the expectations of our community. BOQ communicates this Code to all its Suppliers.

We expect that our Suppliers will:

- 10.1 Communicate this Code to their direct suppliers and throughout supply chains of goods and services that are supplied to BOQ;
- 10.2 Use their leverage and business relationships with suppliers to influence and guide their own supply chain to ensure that they comply with the principles outlined in this Code; and
- 10.3 Monitor their supply chain's compliance to this Code, notify BOQ of any shortcomings and work with BOQ to remedy identified shortcomings.