

Annex 2.

SYPD SUPPLIER CODE OF CONDUCT

1. APPLICABILITY

This Supplier Code of Conduct (“Supplier Code”) is applicable to all third parties providing goods or Services (“Suppliers”) to Sustainable Development and Peacebuilding Initiative (“SYPD”).

2. INTRODUCTION

- a) SYPD, as a company delivering sustainable international development often in fragile environments, is committed to the fundamental principles of human rights, labor rights, environmental stewardship and the fight against bribery and corruption throughout its operations and is a signatory of the United Nations Global Compact (UNGC).
- b) We believe that in doing so; we create a strong foundation for a sustainable future for SYPD and our stakeholders. We take responsibility for the suppliers we work with and expect from them the same level of integrity, honesty and ethical behavior as they can expect from us.
- c) In order to meet these commitments, SYPD requires its Suppliers to adhere to the principles that are set out in this Supplier Code, and we expect our suppliers to cascade these standards further down their supply chains. These principles are an important element of supplier selection and evaluation.

3. REQUIREMENTS

SYPD expects its suppliers to:

3.1 IMPROVE VALUE FOR MONEY

- a) Actively seek to demonstrate and improve results and reduce costs over the life of any agreement with SYPD, and/or Purchase Orders.
- b) Be honest and realistic about capacity and capability to deliver on a contract when being engaged by SYPD.
- c) Price appropriately and honestly to reflect requirements and risks.
- d) Proactively pursue continuous improvement to reduce waste, improve efficiency across the organization, and wider supply chain.
- e) Earn fair but not excessive rewards.

3.2 ACT WITH PROFESSIONALISM AND INTEGRITY

- a) SYPD expects its suppliers to work with and encourage their own suppliers and subcontractors to strive to meet the principles of this Supplier Code and be able to demonstrate this as and when required.

3.3 ACT IN ACCORDANCE WITH THE UNITED NATIONS GLOBAL COMPACT PRINCIPLES

- a) Prohibit any use of forced, bonded or indentured labor.
- b) Prohibit the use of child labor.
- c) Comply with local laws in terms of wages, working hours and freedom to association and right to organize and bargain collectively. SYPD does not tolerate any form of discrimination in hiring and employment practices on the ground of race, color, religion, gender, ethnicity, age and physical disability.
- d) SYPD expects its suppliers to support and respect the protection of human rights and to ensure that they are not complicit in the abuse of human rights.
- e) SYPD expects its suppliers to ensure that they operate a safe and healthy workplace or any other place where production or work is undertaken.
- f) SYPD expects its suppliers to have an effective environmental policy and comply with existing legislation and regulations to protect the environment.
- g) SYPD expects its suppliers to not allow or engage in any form of corruption whatsoever, including extortion and bribery.

4. ACT IN COMPLIANCE WITH APPLICABLE LAWS

- a) SYPD requires its suppliers to comply at all times with applicable laws, rules and regulations. This includes compliance with laws, rules and regulations that SYPD is subject to, even if they are outside of the supplier's jurisdiction.

5. ACT ETHICALLY

- a) SYPD expects its suppliers to adhere to the highest standards of ethical conduct.

5.1 GIFTS & HOSPITALITY

- a) SYPD prohibits its Suppliers from giving or receiving any money, gifts or hospitality that could, or could seem to, influence a professional relationship with a client, beneficiary or any third party.
- b) Suppliers must control as well as record gift and hospitality giving and receiving by their personnel, including anyone acting for them or on their behalf.
- c)

5.2 FACILITATION PAYMENTS

- a) Suppliers are prohibited from offering any facilitation payments, which are small, unofficial payments (considered a bribe) made to most commonly, but not exclusively, to Public Officials to secure or expedite a routine service.

5.3 TERRORISM FINANCING

- a) Suppliers must ensure that the funding of our clients is not linked to terrorist offences, activities or financing.

5.4 CONFLICTS OF INTEREST

- a) Suppliers, together with their employees and contractors, are expected to manage their personal, professional and business affairs to avoid all actual or potential conflicts of interest between those interests and their obligations to SYPD, the client, Any donor and any other Third Party associated with SYPD. Suppliers must immediately notify SYPD of any actual or potential conflicts of interest, together with how it has resolved either the situation or its proposals for doing so.

5.5 CHARITABLE AND POLITICAL DONATIONS

- a) SYPD prohibits its Suppliers from making payments to political figures or organizations, or charities, which may be viewed to be given on behalf of SYPD to obtain a commercial or other advantage to SYPD.

5.6 BOOKS AND RECORDS

- a) Suppliers must keep accurate books and records regarding all transactions made for or on behalf of SYPD or connected with any SYPD matters.

5.7 THIRD PARTY SCREENING

- a) Suppliers must conduct appropriate due diligence on its employees, contractors and Suppliers intended to work on any project or contract with SYPD.

5.8 TAX EVASION

- a) SYPD Suppliers must not facilitate tax evasion and have procedures in place to stop someone acting for or on the Supplier's behalf from facilitating tax evasion. This includes ensuring the Supplier and its suppliers are registered in a lawful way in the country in which they operate.

6. UPHOLD THE HIGHEST SAFEGUARDING STANDARDS

- a) SYPD strictly prohibits any form of modern slavery and human trafficking, as well as harassment, including sexual harassment by any employee or associate of the Supplier.
- b) Suppliers must prevent and reduce harm to children and vulnerable adults who may be in contact with the Supplier's staff or associates.
- c) SYPD has a zero-tolerance approach to suppliers or subcontractors engaging in:
 - I. Sexual activities with any person under the age of 18, regardless of the local age of consent.
 - II. Transactional sex, which shall include but not be limited to the exchange of money, employment, goods or services for sex.
 - a) Any safeguarding concerns should be reported to SYPD's Safeguarding email box safeguarding@sypd.org or raise concerns with the safeguard lead, SYPD Director at director@sypdsomalia.org and ensure that any safeguarding matters are investigated and dealt with properly.

7. SUPPLY CHAIN TRANSPARENCY AND PROMPT PAYMENT

- a) SYPD is a member of the International Aid Transparency Initiative (IATI). Suppliers are expected to provide necessary information to enable SYPD to continue providing accurate reporting data to IATI. This data should map how funds flow from the Supplier to end beneficiaries and identify actual and potential risks to the funds along the delivery chain.
- b) Suppliers are expected to treat their own supply chains fairly and make timely payments of its suppliers' invoices for services properly performed.

8. MONITORING

- a) By accepting the Supplier Code, the Supplier commits to working proactively to meet these requirements within its own operations and supply chain. This should be achieved by cooperating in a transparent manner with SYPD, for example by completing self-assessments and granting SYPD staff, or a third party appointed by SYPD, access to relevant premises and information to conduct on-site audits, including permission to conduct interviews with employees and access to accurate and complete documentation and records related to the Supplier Code. Any findings

pertaining to the audit must be effectively remediated in a timely manner. We expect our suppliers not to mislead us.

- b) Breaches of the Supplier Code may lead to the termination of the Supplier contract.

9. SUPPLIER RESPONSIBILITY

- a) It is the responsibility of the supplier to ensure that its own supply chain is compliant with the Supplier Code or comparable requirements.
- b) We require our suppliers to evaluate and monitor their supply chain and collect relevant information regarding the supply chain's compliance with the Supplier Code to be provided to SYPD upon request.

10. CONFIDENTIALITY AND DATA PROTECTION

- a) SYPD treats all business and personal information received in a responsible manner and takes measures to ensure that this information remains confidential.
- b) Suppliers must protect all information, data (including personal data), and intellectual property or technologies, belonging to SYPD and/or its clients, in line with our contractual terms and conditions. Such obligations continue after termination or Expiration of a contract.

11. REPORTING

- a) We encourage our suppliers to report violations of the Supplier Code to SYPD through the independent and confidential whistleblowing hotline, managed by or directly to the relevant donor, where appropriate.
- b) We encourage an active dialogue with our suppliers on issues related to the Supplier Code or other questions concerning sustainability.

Compulsory Signature, Stamp & Date
