

KINGSLEY NAPLEY

SUPPLIER CODE OF CONDUCT

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1 Introduction

- 1.1 We are committed to operating our own business responsibly, sustainably and to the highest professional and ethical standards. We recognise however that our business is only as ethical as the suppliers we engage and only as sustainable as the products and services we purchase from them. We wish therefore to work only with suppliers who share our values and aspire to the same high standards we do.
- 1.2 The purpose of this document is to explain what we look for when we select our suppliers, the expectations we have of our suppliers and the standards of operational performance and behaviour that we expect our suppliers to be able to demonstrate.

2 Approach

- 2.1 It is a given that our suppliers will already be managing their own businesses lawfully and responsibly. They will already have in place and use appropriate management systems, working practices, written policies and training programmes to ensure that they comply with all applicable laws and regulations and are able to supply high quality goods or services to their customers and us. Our aim is to build on that by working proactively and collaboratively with our suppliers in order to incrementally improve the ethical, social and environmental impacts of both our businesses.
- 2.2 Suppliers who accept business from us agree to adopt the business principles and the operating standards which are outlined in this document. They also agree to cooperate with us by providing us with any information or documents which we might reasonably request (either at the start of the relationship or thereafter) in order that we may understand and evaluate their business practices and their performance.
- 2.3 If a supplier's conduct does not meet our expectations, we will normally seek to engage with that supplier in order to encourage an improvement in their performance or in their business practices. We may however cease working with a supplier who commits serious or persistent breaches of law or regulation, does not meet the ethical, social or environmental performance standards which we expect or we consider is not committed to improving its business practices or performance.

3 Business principles

- 3.1 The United Nations Guiding Principles on Business and Human Rights: The UN Global Compact states that all businesses have a responsibility to respect human rights, and it asks businesses to embrace, support and within their respective spheres of influence give effect to a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. We respect internationally recognised human rights and support the aims of the UN Global Compact. We endeavour to reflect them in our own business, and we expect our suppliers also to do that.
- 3.2 Business conduct: Our aim is always to operate our business in accordance with applicable laws and regulations and to the highest ethical standards. We expect our suppliers to operate their business in the same manner. We prohibit unlawful conduct or unethical behaviour of any description. If we discover or believe that a supplier has engaged in conduct which we consider to be unlawful or unethical, we will cease doing business with that supplier and terminate any relevant contract.
- 3.3 Confidentiality: Protecting confidential, legally privileged and commercially sensitive information, and personal data, is of paramount importance to us and the clients we serve. All information, documents and data which suppliers receive from us or which they have access to when pitching for work from us or providing their products or services to us must be treated as confidential, handled carefully, protected appropriately, used only for the intended purpose and not be disclosed to anyone outside their own organisation without our prior written permission.
- 3.4 Fairness: We do not expect our suppliers to do something which we are unable or unwilling to do ourselves, and neither do we require our suppliers to achieve voluntary standards which we do not meet. We try to be a fair customer to our suppliers, and we aim to pay them within the timescale provided for in the relevant contract. We expect our suppliers to treat their suppliers in the same way. Resolving any dispute that might arise quickly and amicably through discussion and agreement is always our preference: formal dispute resolution processes will be a last resort.
- 3.5 Procurement: We aim to make a positive contribution to the community and to the environment by the way in which we manage our own business, by encouraging our suppliers to operate their own businesses responsibly and sustainably, and by including ethical, social and environmental considerations in our purchasing decisions and in our supplier engagement and management processes.
- 3.6 Environment: Where they are available, we seek always to purchase products and services that either minimise negative or provide positive impacts on the environment, whilst also satisfying our business needs. Our suppliers will have a similar approach.
- 3.7 Health and safety: We comply with health and safety laws in order to ensure that our own people and visitors to our office, including any of our suppliers' staff who work in or visit our office, can work in a safe and comfortable environment. We expect our suppliers to adopt the same approach in relation to their own premises.
- 3.8 Equality and diversity: We wish to have a diverse workforce and an inclusive culture. The suppliers we choose to work with will have the same aspirations. Our suppliers' staff who work in our office will be treated with the same dignity and respect for diversity and accorded the same consideration and protection from unlawful discrimination, bullying or harassment as are our own people. We expect our people to be treated in the same manner when they visit a supplier's office.

- 3.9 Labour practices: We are a people centric business. Our recruitment procedures and employment practices comply with applicable laws and regulations and follow best practice in the legal profession. Our suppliers are also expected to comply with all recruitment and employment laws which govern their business and workforce.
- 3.10 Remuneration: We are accredited by the Living Wage Foundation as a London Living Wage employer. Our employees are paid more than the mandatory national minimum wage and at or above the voluntary London living wage, which is higher. We require our suppliers also to comply with applicable minimum wage laws. We also encourage those of our suppliers who operate in the London area to pay their London workers a London living wage. We engage with certain of our key suppliers to ensure that their staff who work in our offices are paid a London living wage.

4 Operating standards

- 4.1 Our suppliers will already be complying with all laws and regulations which govern their organisation, activities and workforce. We expect them also to manage their business in accordance with the requirements of any applicable professional or trade code of conduct or relevant industry-specific custom or expectation of good practice. A responsible and ethical approach to business which respects and reflects the spirit behind laws and regulations is also expected.
- 4.2 Our suppliers must ensure, and be able to demonstrate, that they have in place and use management systems, operating processes, written policies, training programmes and, where relevant, technologies, which are appropriate for their business, activities and risk profile. In particular, and without limitation, our suppliers must have effective arrangements in place to identify, prevent, manage and/or address:
- conflicts of interests
 - bribery and other corrupt practices
 - the giving or receiving of improper gifts or improper entertainment
 - dealings with politically exposed people and public officials
 - money laundering
 - the financing of terrorism
 - fraud including cybercrime
 - tax evasion
 - the illegal trading of publicly listed securities based on non-public information
 - piracy and counterfeiting
 - slavery and human trafficking
 - discrimination, bullying and harassment
 - data protection obligations
 - computer security, cyber risks and related breaches
 - information security, confidentiality risks and related breaches
 - unauthorised disclosure of or use of personal or business information
 - bad product quality and/or poor customer service
 - customer complaints

5 Financial crime

- 5.1 We require our own people to maintain the highest ethical standards in both their professional and private lives. We expect the same of our suppliers and their workers, sub-contractors and agents. Conduct of any description which is unlawful under the laws of the United Kingdom or the written laws of another jurisdiction (including, without limitation, bribery, corruption, money laundering, the financing of terrorism, fraud and tax evasion) is expressly prohibited.

- 5.2 Our suppliers and everyone who works for them must comply with all financial crime related laws and regulations which apply to their business or to their workers, sub-contractors or agents. In order to ensure such compliance and to address the particular risks which apply to them we expect our suppliers to have in place and to use management systems, written policies and training programmes which are appropriate for, and manage effectively, their particular business, activities and risks.
- 5.3 Suppliers who accept business from us agree that they, and their workers, sub-contractors and agents, will not engage in, facilitate or authorise criminal conduct which is unlawful under the laws of the United Kingdom or the written laws of another jurisdiction. They also agree that they will not, by action or omission, cause this firm or any of its members personally to commit a financial crime related offence. This includes, without limitation, tax evasion, money laundering, terrorist financing, and bribery or corruption of any kind, including an offence under the UK Bribery Act 2010 or the US Foreign Corrupt Practices Act 1977.

6 Labour practices

- 6.1 Our suppliers must comply with, be able to demonstrate a commitment to, and have in place management systems, written policies and training programmes which ensure that all applicable employment laws and internationally recognised labour standards are complied with at all times. This will include the following matters:
- 6.1.1 Forced labour: there must be no involvement with slavery or human trafficking and in particular no use of forced, bonded, involuntary or child labour in their own businesses or in their supply chain.
- 6.1.2 Health and safety: all workers must work in a safe environment which supports and helps to maintain good physical and mental health.
- 6.1.3 Equality and diversity: there must be equality of treatment and of opportunity for all workers, and discrimination based on race, nationality, religion, belief, gender, sexual orientation, marital status, pregnancy, paternity, adoption, disability, age, political opinion or social background must be prohibited.
- 6.1.4 Representation and freedom of association: all workers must be free to form and join an organisation of their choosing, and to assemble peacefully.
- 6.1.5 Contracts: all workers must be provided with a written contract which complies with applicable laws and records the full terms of their engagement.
- 6.1.6 Remuneration: wages and benefits must comply with applicable laws including minimum wage laws, remuneration must be a living wage, wages must be role specific and not differ between genders, remuneration information must be provided in writing and any deductions from wages must be lawful and not be made as a disciplinary measure.
- 6.1.7 Working hours: working hours must comply with applicable laws, provide for reasonable breaks and not be excessive, and overtime must be voluntary.
- 6.1.8 Discipline: corporal punishment, physical abuse, sexual abuse, bullying, harassment, intimidation, or threats thereof, must be prohibited, grievance and disciplinary procedures must be documented and disciplinary decisions must be recorded in writing.

7 Diversity and inclusion

- 7.1 We recognise that a diverse workforce gives us access to different cultures, experiences and views, which benefit our business and our clients. We also recognise that respecting and promoting equality and diversity must go beyond mere compliance with laws and regulations and that such values must be embedded into the fabric and culture of our business. Equality of opportunity, respect for diversity and the right of everyone to work in an environment which promotes fairness and is free from prejudice and discrimination are to us important core values which we expect our own people to exhibit, and our suppliers and their people, also to adhere to.
- 7.2 We try hard to cultivate an inclusive working environment where everyone can work and succeed based solely on merit, and without being disadvantaged by prejudices relating to race, nationality, religion, belief, gender, sexual orientation, marital status, pregnancy, paternity, adoption, disability, age, social background or political opinion, and we expect our suppliers to do the same.
- 7.3 Diversity and inclusion considerations feed in to our supplier selection and retention decisions. We may ask you to provide us with a copy of your Equality and Diversity Policy and/or request that you supply us with high-level data in anonymised form about the profile of their workforce to help us evaluate this.

8 Confidentiality and data protection

- 8.1 We are a regulated law firm providing legal services. The lawyer-client relationship is underpinned by a legal and regulatory duty of confidentiality. The identity of our clients and the work we do for them is confidential and may also be protected from disclosure by legal professional privilege.
- 8.2 Ensuring that confidential, legally privileged, commercially sensitive and personal information, documents and data, regardless of whether they belong to us, our clients or third parties to whom we owe a duty of confidence, remain confidential at all times and is not put at risk or disclosed without lawful authority will be a key requirement in all supplier selection exercises and an important condition of all supplier engagements and relationships.
- 8.3 Businesses who wish to work with us must treat confidentiality as a priority and be able to demonstrate that they have put effective measures in place to protect information, documents and data. All information, documents and data which we entrust to a supplier must be treated as confidential and be handled, transferred and stored appropriately. This will include:
 - 8.3.1 taking steps to ensure that all workers (and any sub-contractor or agent to whom we have in advance and in writing authorised the release of such information by the supplier) are appropriately trained with regard to their confidentiality, information security and data protection obligations, are properly directed and supervised in their work and are made aware of the obligation of confidentiality, of the need to respect it at all times and of the duty to report to us any breach which occurs as soon as it happens or is discovered;
 - 8.3.2 taking appropriate technological and organisational measures to ensure that confidential information and personal data is always processed, transferred and stored securely, is not lost, damaged or misused, is not disclosed without written permission or lawful authority, and only workers who have a legitimate need to or reason to receive it have access to it.

- 8.4 Kingsley Napley LLP is registered with the Information Commissioner as a controller of personal data under the Data Protection Act. Any personal data which a supplier provides to us will be stored, processed and transferred in accordance with our obligations under that Act and the UK GDPR.
- 8.5 By accepting business from us, suppliers confirm, both for themselves and for any individuals whose personal data they disclose to us, that we may store, process and transfer such data for the following purposes: (1) to enable us to acquire or use their product or service; (2) to manage our relationship with them; (3) to enable us to enforce any contract or obligation or address or resolve any dispute; (4) to enable us to comply with our legal, regulatory, insurance, audit and tax obligations, including recordkeeping obligations; (5) for the prevention or detection of crime; (6) to ensure the safety and security of our building and the people who use it, including through the use of CCTV; and (7) to provide them with information about us, our services and our business requirements and expectations.
- 8.6 By accepting business from us, suppliers also confirm that: (1) they comply with their own obligations under applicable confidentiality and data protection laws and regulations, including the Data Protection Act, the UK GDPR and any relevant regulatory, professional or industry specific code of conduct; (2) they have received any necessary permissions from the data owner or data subject before providing personal data to us; and (3) they and their workers will not, by action or omission, put this firm in breach of a confidentiality or data protection obligation to which it is subject.
- 8.7 Any unauthorised release of confidential, legally privileged or commercially sensitive information or personal data which occurs in respect of, or any system or information security risk that arises in relation to, any information, document or data which we have entrusted to a supplier must be stopped, addressed and reported to us immediately. Full details of the incident must be provided to us as soon as it occurs or is discovered (and no later than 24 hours after it was discovered) in order that we may take appropriate steps to: stop the breach from occurring or continuing; minimise or mitigate any damage, loss or harm that has been or might be caused by it; and comply with our own legal and regulatory obligations, including our reporting duties to clients, regulators and insurers. Please note that the ICO requires serious breaches to be reported to it within 72 hours of the breach occurring or being discovered, which is why we require you to report to us within 24 hours.
- 8.8 Suppliers who will have access to particularly sensitive client information or data, or to whom we propose to outsource a support function which involves the handling or processing of clients' confidential information or data, will be asked to enter into a confidentiality and/or data processing agreement with us in order to ensure that all relevant laws and regulations are complied with and to satisfy the outsourcing expectations of our clients and requirements of our regulator, the Solicitors Regulation Authority.

9 Environment

- 9.1 Protecting the planet, its resources and the environment, and helping to combat climate change by reducing our carbon footprint, are important to us. We are committed to reducing the environmental impact of our own business and to continually and incrementally improving our environmental performance by embedding sustainability considerations into our strategy, operations and purchasing decisions.
- 9.2 For us, it is not simply a matter of complying with legal requirements: it is also about doing the right thing, and encouraging others, including our suppliers, to do likewise. We expect our suppliers to be able to demonstrate a commitment to:

- taking proactive steps to understand, manage and reduce their carbon footprint
- minimising their use of water, raw materials and energy
- maximising their use of alternative sources of energy
- using recyclable and renewable materials
- recycling waste which can be recycled
- disposing responsibly of waste which cannot be recycled
- disposing of hazardous waste in accordance with legal requirements

10 Insurance

10.1 Our suppliers must take out and maintain all policies of insurance which are:

10.1.1 required by law;

10.1.2 required by any relevant regulator or professional or trade association; and

10.1.3 appropriate for the particular goods or services which they supply.

10.2 As a minimum, we expect suppliers to take out and maintain the following insurances:

10.2.1 public liability

10.2.2 employee liability

10.2.3 professional / commercial / product liability (as appropriate for their business)

10.3 The policies which our suppliers take out must provide a level of cover which: (1) satisfies any legal, regulatory or professional insurance obligation to which they are subject; or (2) is prudent and adequate for the particular goods or services which they make or supply and will be or are providing to us and the associated risks.

10.4 We expect our suppliers to provide us with a copy of and/or with details of their insurance cover, or specified policies, if we ask them to do so. If we request policy details, it will include: (1) type, scope and amount of cover; (2) name and address of insurer; (3) dates of inception and expiry of cover; and (4) policy number.

Kingsley Napley LLP

1 June 2023