

Procurement – Supplier Code of Conduct

Effective from 1 April 2025

Introduction

The Victorian Government (which means departments and agencies to which the Standing Directions 2018 under the Financial Management Act 1994 apply, also referred to in this Code as 'us', 'we', 'our') is committed to ethical, sustainable and socially responsible procurement. We expect the same high standards of our Suppliers.

The Code describes the minimum standards that our Suppliers must achieve, in order to establish and maintain a business relationship with us.

In this Code, Supplier's "personnel" includes any directors, officers, employees, secondees, agents, third party contractors, consultants, and subcontractors of the Supplier, and except where the context otherwise requires, "Supplier" includes its personnel.

Application of the Code

The Code applies when a Supplier provides goods or services (including construction works and services) to us, regardless of their value.

Suppliers must review the Code and ensure that their personnel, business operations and supply chains meet the minimum standards set out in the Code.

The Code does not supersede, alter or diminish a Supplier's legislative, policy, regulatory or other contractual obligations.

To ensure that the Code remains current and relevant, we may amend or update it from time to time.

Integrity, ethics and corporate governance

We expect high standards of ethical conduct and compliance with all applicable laws.

Ethical conduct

Ethical conduct is considered to encompass, at a minimum: honesty, integrity, transparency, consistency, probity, diligence and fairness.

Suppliers must be ethical in their business activities, including relationships with personnel, other suppliers, departments and agencies, and third parties, and model good corporate governance.

Business integrity

Suppliers must not engage in or facilitate, either directly or indirectly, fraudulent, corrupt, unethical, exploitative, dishonest or collusive activities.

Suppliers must not engage in conduct which has or may have an adverse effect on the perception of the integrity of the Supplier or any of their personnel.

Good business practices

Suppliers must maintain sound management administration, risk and corrective action systems.

Professional conduct

Suppliers must conduct themselves in a manner that is fair, professional and that will not bring us into disrepute. Suppliers must notify us when government employees or other suppliers are not upholding the requirements of or values in this Code or the Victorian Public Services Code of Conduct.

Confidentiality

Suppliers:

- must ensure they have appropriate systems and processes in place to protect our confidential information and dispose of it appropriately, including in accordance with the applicable contract; and
- must not improperly use any private, confidential or commercially sensitive information in their possession, or to which they have access, relating to or in connection with their dealings with us.

Conflict of Interest

Suppliers are required to undertake their business activities with impartiality and must:

- avoid financial, business or other relationships which may compromise or have the appearance of compromising the performance of their duties under their business arrangements with us; and
- disclose any actual, potential or perceived conflicts of interest that arise throughout the procurement process and duration of the contract to the relevant department or agency that is running the procurement process or managing the relevant contract and appropriately manage any such conflicts with the relevant department or agency.

Gifts, benefits and hospitality

Suppliers must not:

- offer to our personnel gifts or benefits that could reasonably be perceived as influencing them or undermining the integrity of their organisation or themselves; or
- take any action in order to entice or obtain any unfair or improper advantage from us.

Labour and human rights

We believe that all personnel in our supply chain deserve to be treated with dignity and respect.

Suppliers must:

- respect the rights and entitlements of their personnel;
- provide a fair and ethical workplace, free from discrimination, workplace bullying, harassment, victimisation and abuse; and

- act against human rights exploitations and make all reasonable efforts to actively support the elimination of modern slavery by identifying and mitigating modern slavery risks along their supply chain.

Health, safety and security

Worker health, safety and wellbeing is important to us.

Suppliers must comply with all applicable workplace health and safety laws and regulations.

As well as complying with all workplace health and safety laws and regulations, Suppliers are required to provide a healthy, culturally safe and secure work environment for their personnel and promptly manage any threat to health or safety.

Environmental sustainability

Suppliers must maintain environmentally responsible policies and practices in their operations.

Suppliers must:

- comply with laws and regulations relating to the protection of the environment; and
- actively work to minimise the environmental impact of their operations.

Compliance with the Code

We expect that Suppliers will be proactive in preventing and discouraging breaches of the Code. Suppliers are responsible for breaches of the Code by their personnel.

Suppliers must:

- proactively self-assess compliance;
- keep evidence of how they comply with this Code and provide, upon request, evidence and confirmation of their compliance with the Code;
- communicate the Code to their supply chain;
- co-operate with us, including to implement remedial action to address breaches of the Code;
- raise any concerns and report possible or actual non-compliance or breaches of the Code to the department or agency undertaking procurement processes in which the Supplier is participating or the department or agency which manages or is a party to the relevant contract with the Supplier; and
- immediately report any adverse rulings or enforceable undertakings issued by regulatory bodies related to conduct under the Code to the applicable department or agency.

Demonstrating compliance with the Code

Factors relevant to how a Supplier establishes compliance with the Code include:

- the size and sophistication of the Supplier's business; and
- the industry the Supplier operates in.

Refer to **Supplier Guidelines for the Supplier Code of Conduct** for more information on how to demonstrate compliance with the Code.

Implications of not complying with this Code

We reserve the right to do business with Suppliers who comply with this Code.

We may elect to not work with or cease to work with Suppliers who do not comply with this Code.

Without limiting the relevant department's or agency's rights under an applicable contract, Suppliers not complying with this Code could lead to one or more of the following actions being taken:

- investigation for breaches of the Code;
- a requirement to implement remedial action to rectify breaches of the Code;
- sharing of information relating to a Supplier's ethical conduct across purchasing departments and agencies;
- suspension or removal from pre-qualification schemes and panel arrangements (subject to the terms of the scheme or arrangement);
- termination of contracts (subject to the terms of the contract); or
- referral of matters for civil remedy or criminal investigation.

We recognise the importance of working with our Suppliers to provide them with an opportunity for improvement wherever we consider it is appropriate to do so.

Complaints

Any person can report concerns about a Supplier's conduct, or our employee's conduct, to the department or agency undertaking relevant procurement processes in which the Supplier is participating or the department or agency which manages or is a party to the relevant contract with the Supplier.

Alternatively, concerns can be raised with the Department of Government Services.

Complaints about any of the following conduct can also be submitted to the body listed:

- fraud or corrupt conduct – Independent Broad-based Anti-Corruption Commission;
- maladministration – Victorian Ombudsman;
- serious and substantial waste – Victoria Auditor General's Office; or
- access to government information – Office of the Victorian Information Commissioner.