

Document Classification: External – may be shared externally.

1. Introduction

This Code of Conduct for Suppliers (the “Code”) expects all Suppliers, regardless of the service or product provided to RAC, will abide by these standards, and the specified regulation and legislation set out.

Suppliers must make the Code available to their employees in a language easily understood by the employees where those employees are engaged in the delivery of products or services to RAC or its customers.

The Code is not intended to create new or additional rights, or any additional RAC obligations, in favour of Suppliers, Supplier personnel, or any third parties. The Code supplements but does not supersede any contractual obligations between RAC and the Supplier. If Suppliers have any questions on these requirements or any of the contents of the Code, then they should contact their usual RAC representative.

RAC will review any Supplier relationship where a Supplier fails to act in accordance with the Code, which may result in action up to and including termination of relationships.

2. Competition Laws

As RAC operates principally in the UK, it expects all Suppliers where appropriate, to comply with The Competition Act 1998 and the Enterprise Act 2002 (as amended).

3. Financial Services Regulation

RAC must comply with a wide range of UK regulations e.g. those enforced by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). Failure to comply with its obligations could seriously affect RAC’s customers, employees and its business, so RAC expects that Suppliers, who perform (or support RAC to perform) a regulated activity on its behalf, will comply with their regulatory obligations, and to notify RAC promptly of any regulatory concerns or issues that may affect RAC’s customers.

4. Trade Restrictions and Sanctions

From time to time, RAC may be restricted from buying products or services from certain countries, due to e.g. government advice, legislation, regulatory requirements or company policy. It is Suppliers’ responsibility to ensure that they know from which countries they are obtaining their goods and any restrictions around travel, in relation to the delivery of products, goods or services to RAC. A Supplier and its employees should not work with individuals or companies that appear on the UK Government’s Consolidated List of Financial Sanctions Targets’. If Suppliers believe that trade restrictions are being violated, they must report this in accordance with their internal reporting procedures and notify RAC.

5. Fraud, Bribery and Corruption

Suppliers are expected to conduct business with integrity and are expected to uphold the highest standards of ethics and behaviour and comply with legislation on bribery, corruption and prohibited business practices.

Suppliers must immediately report, through their own reporting lines, any attempts by a third party to offer any incentives which are designed to encourage them to act in any way which would be contrary to the Bribery Act 2010. RAC expects its Suppliers to co-operate fully with law enforcement agencies and investigators and support prosecution or disciplinary action where sufficient evidence exists.

6. Accounting and Money Laundering

It is expected that all Suppliers will have an awareness of the Money Laundering Regulations 2007, the Proceeds of Crime Act 2002, the Counter Terrorism Act 2008 and the [Joint Money Laundering Steering Group \(JMLSG\)](#) Guidance. and the penalties for not adhering to the requirements, including reporting obligations.

All Suppliers must maintain appropriate records, including invoices and receipts, and maintain accurate records to support all financial information and monitor transactions and encourage raising of concerns.

7. Confidentiality and data protection

Appropriate contractual agreements including confidentiality agreements and data protection agreements are, and will continue to be used to formalise the process of protecting proprietary information about RAC, its customers and its employees. Suppliers are expected to protect confidential information and ensure that their suppliers do the same.

8. Diversity and Equality

RAC expects its Suppliers to abide by the Equality Act 2010 (as amended) by providing equal opportunities and treatment regardless of race, colour, gender, religion, nationality, sexual orientation, age, or disability. Suppliers are expected to support equal pay for work of equal value.

Suppliers should oppose discrimination or intimidation towards employees, customers and service users including all forms of bullying and harassment, as well as promote Supplier working practices that enable employees of the Supplier to act in a non-discriminatory and inclusive manner when carrying out work on RAC's behalf and on any RAC premises.

9. Health, Safety and Environment

Suppliers will make proper provision for the health, safety and welfare of their employees and contractors and those in the community who may be affected by their activities. Suppliers must conform to all applicable health and safety laws and regulations, as well as applicable industry codes. Suppliers should have a program or mechanism(s) to enforce and monitor compliance with health and safety requirements.

Suppliers will care for the environment through a commitment to good environmental practices. They are expected to implement an appropriate environmental management system comparable with the requirements of ISO 14001 and are encouraged to gain third party certification.

10. Pay, benefits and Working hours

Compensation paid to Suppliers' workers must comply with all national regulations on pay and benefits. These should be sufficient to meet basic needs of workers and their families, must comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Supplier's employees should have the ability to earn fair wages.

11. Forced or involuntary labour

In line with the Modern Slavery Act 2015, RAC believes that employment should be freely chosen and therefore Suppliers must not use forced labour of any type including forced involuntary or debt bonded labour. To support regulatory reporting requirements, RAC expects its Suppliers to monitor their own supply chain(s) and be able to provide RAC with appropriate evidence and assurance of compliance as required.

12. Child labour

Suppliers must not use child labour and must comply with all child labour laws and should not employ anyone under the age of 16, or where it is higher, the mandatory school leaving age in the local country.

13. Supplier Management Programme and Compliance

RAC operates an ongoing Supplier management programme which includes monitoring compliance with the Code. Suppliers must ensure that documentation is kept, to demonstrate compliance with the Code and must provide access to that documentation upon request. RAC reserves the right to review or audit Suppliers' compliance with the Code. Suppliers must respond promptly to requests for information from RAC or a third party working on its behalf, regarding matters covered by the Code.

Compliance with the Code will influence RAC's business relationships and procurement decisions. Any violation of the Code requires prompt remedial action plans or training and may affect Suppliers' standing with RAC.

RAC expects its Suppliers to have written contracts with their own suppliers, which cover the core supply arrangements and provides for the issues addressed in the Code to be flowed down through the supply chain. The contract should also address prudent measures for information security (physical and logical), data protection, Payment Card Industry Data Security Standard (PCIDSS), employee screening, business continuity and disaster recovery, and risk management.

Suppliers should carry appropriate insurance for themselves and for any activities carried out by the Supplier or on their behalf by their supply chain, so as to protect the Supplier, RAC and its customers.

14. Whistleblowing

RAC expects its Suppliers to adhere to the Public Interest Disclosure Act 1998 and to provide appropriate whistleblowing processes through which concerns relating to potential breach of regulations, or dangerous practices can be reported, and investigated, independently and confidentially.

RAC expects its Suppliers to notify RAC of any risk or wrongdoing which impacts upon its customers, colleagues, operations, finances, or the communities in which it operates.