



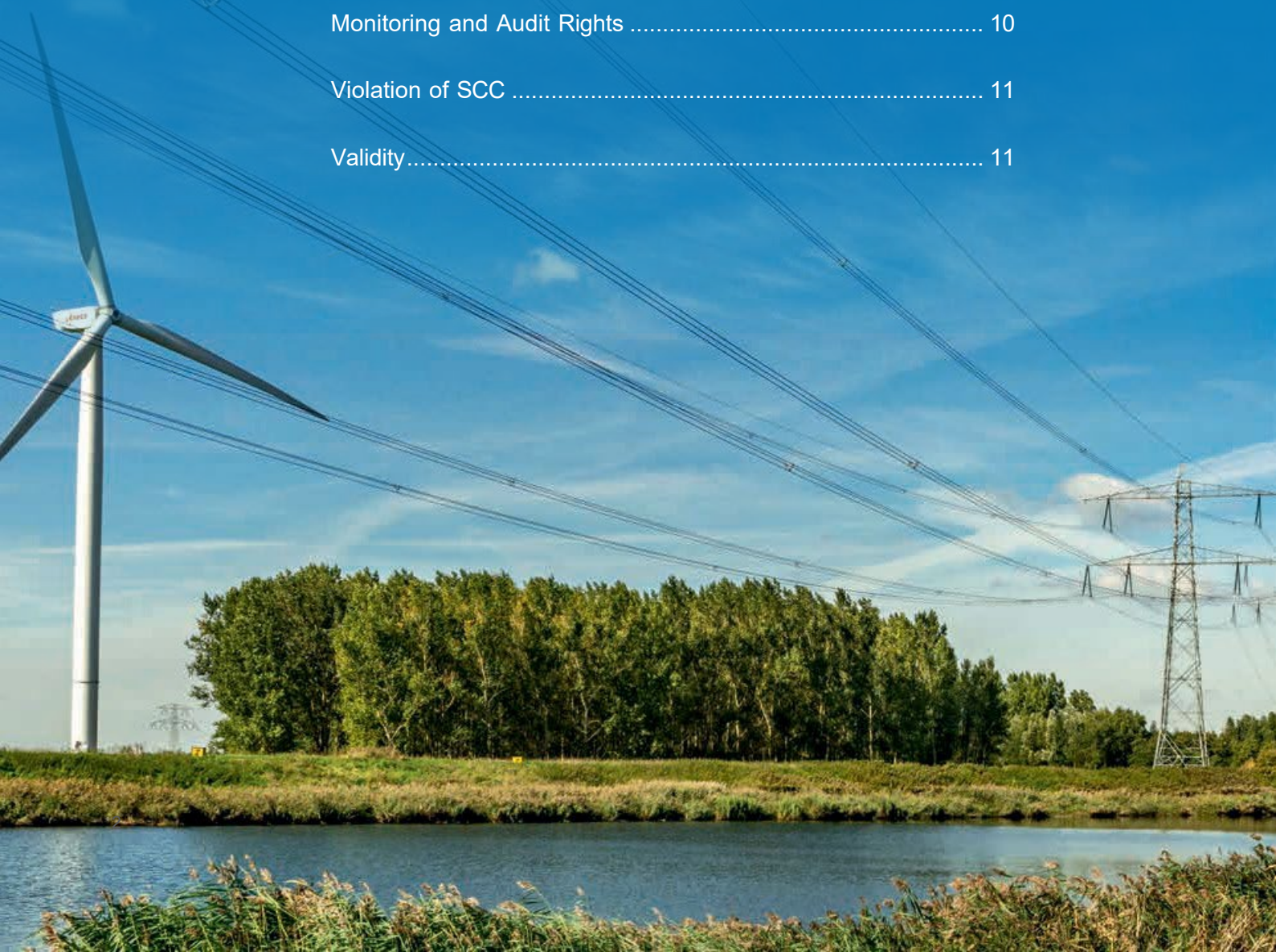
Supplier code of conduct

for supplying business partners

Version 2.0

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Introduction

Purpose

As a leading European electricity transmission system operator (TSO), TenneT ensures a reliable and uninterrupted supply of electricity in our (extra) high-voltage grid, connecting the end-users in the markets we serve. We make every effort to meet our stakeholders' needs and drive the energy transition by living our principles: Ownership, Connection and Courage.



We are committed to conducting our business activities with integrity, social and environmental responsibility, while acting in accordance with applicable laws, rules and regulations, and we expect our Suppliers to do the same. Where we use the term 'Supplier', we mean all our supplying business partners, such as suppliers of goods, service providers and (sub)contractors.



This Supplier Code of Conduct (SCC) sets the principles and requirements for responsible corporate governance and business integrity. It is based on the [UN Global Compact's Ten Principles](#)¹, the [UN Guiding Principles on Business and Human Rights](#) and [OECD guidelines](#) and includes requirements regarding fundamental international conventions and guidelines in the areas of ethical conduct, human rights, health and safety, environment, social responsibility and business compliance & integrity. TenneT's ambition is to apply these principles to its entire supply chain.

Scope

This SCC is binding for all TenneT Suppliers and is an integral part of the business relationships that we have with our Suppliers. We expect you and all your Employees to adhere to this Code, see to it that your subcontractors do the same, and – together with them – ensure that the requirements set out below are met. Where we use the term "Employee" we mean any person employed by Supplier, temporarily working for Supplier or TenneT or under a different kind of agreement (e.g. secondment or external contract), including leaders, temporary workers, interns, working students.

TenneT has identified specific areas as key to securing good business conduct within its supply chain. These are:

1. Human Rights, Sustainability and Environment
2. Safety, Health and Security
3. Compliance and Integrity

¹ The UN Global Compact's Ten Principles are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. You can find our latest Communication on Progress on our website [\[Download reports - TenneT\]](#).

Human Rights, Sustainability and Environment

Human Rights

TenneT advocates diversity, equal opportunities, dignity and respect for fundamental rights in work and business relationships. Supplier shall support and recognise the UN Guiding Principles on Business and Human Rights and ensure that it and its (sub)contractors are not involved in any human rights abuses.

Supplier shall particularly observe the following principles and apply these in its supply chain. These are in line with principles 1 – 6 of the UN global compact:²

- Compliance with all applicable labour laws and regulations, and internationally accepted standards of workers' rights. Supplier shall set remuneration, working hours and over-time in conformity with local legislation. Remuneration is intended to enable employee to enjoy a decent standard of living.
- Prohibition of child and forced labour, in accordance with the International Labour Organisation³ (ILO) conventions,
- No inhuman or degrading treatment, torture or threat, including physical punishment, harassment, sexual or verbal abuse, physical, moral or psychological coercion,
- No discrimination of any kind, whether based on race, colour, nationality, language, sexual orientation or gender, religion, political opinions, social background and status, age, health status or disability,
- Respect of freedom of association and collective bargaining in accordance with applicable laws, regulations and ILO conventions.



² Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;
Principle 2: make sure that they are not complicit in human rights abuses.
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation

³ ILO C138

Sustainability and Environment

Supplier shall comply with all applicable laws and regulations at site, as well as the applicable laws and regulations relating to environmental protection. Supplier recognises the environmental impact of its business and commits itself to act in a responsible and sustainable manner and continually work to lessen its negative impact on the environment.

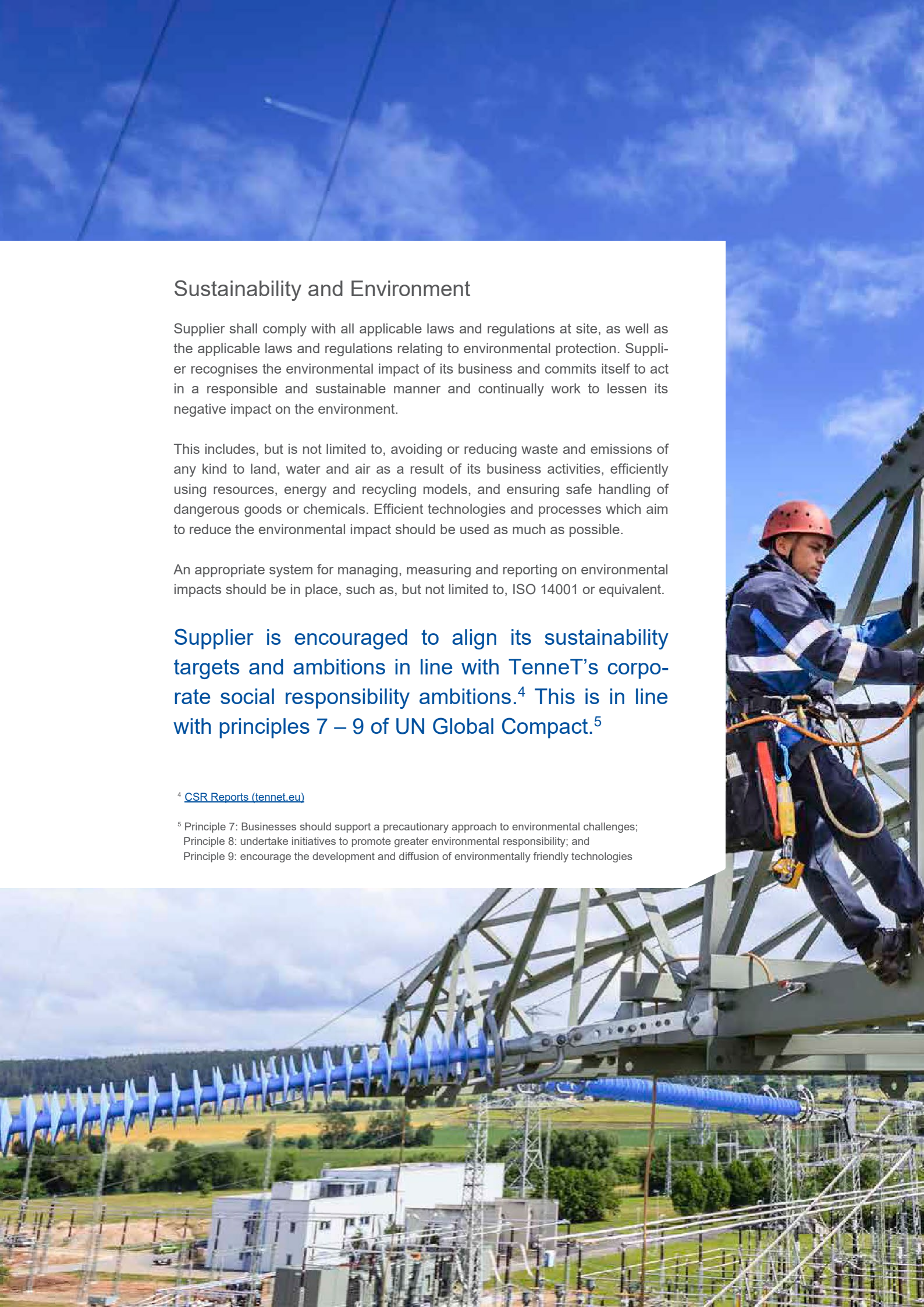
This includes, but is not limited to, avoiding or reducing waste and emissions of any kind to land, water and air as a result of its business activities, efficiently using resources, energy and recycling models, and ensuring safe handling of dangerous goods or chemicals. Efficient technologies and processes which aim to reduce the environmental impact should be used as much as possible.

An appropriate system for managing, measuring and reporting on environmental impacts should be in place, such as, but not limited to, ISO 14001 or equivalent.

Supplier is encouraged to align its sustainability targets and ambitions in line with TenneT's corporate social responsibility ambitions.⁴ This is in line with principles 7 – 9 of UN Global Compact.⁵

⁴ [CSR Reports \(tennet.eu\)](https://www.tennet.eu/CSR-Reports)

⁵ Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies





Safety, Health and Security

TenneT puts safety first and applies the highest safety standards for all TenneT Employees, suppliers, (sub) contractors and anyone coming into contact with our infrastructure. Our ambition is that all of them come home safe and healthy every day.

Supplier commits to the safety and security rules and instructions of TenneT. This means *inter alia* that:

- the environment in which you work shall be safe of any form of danger to the physical or mental health of you, your (sub)contractors or TenneT's Employees or the wellbeing of the environment; and
- your Employees are fully aware of any applicable safety and security rules and instructions of TenneT.

Supplier shall implement and maintain measures to adequately identify and manage health, safety and security risks associated with its operations for TenneT, including the reporting of incidents, near misses and hazardous situations. Given the importance of safety, TenneT may – according to contractual agreements – take measures if Supplier is not appropriately dealing with a (potentially) dangerous situation.

Supplier shall encourage and reinforce sound health, safety and security practices throughout its supply chain.



Compliance and Integrity

Legal Requirements

Supplier shall conduct its business by acting with high integrity and in accordance with all applicable laws and regulations. Supplier shall not unduly influence (someone within) TenneT, nor any of its stakeholders, and refrain from any form of:

- fraud (e.g. misleading financial reporting),
- unfair competition (cartels, price-fixing, abuse of dominance, exchanging company specific confidential commercially sensitive information that distorts or could distort competition),
- bribery and corruption/facilitation payments (providing benefits to Employees or public officials to (attempt) to influence business decisions),
- extortion, or
- money laundering



Supplier shall have a well-functioning compliance system that helps it to prevent, detect and respond to incidents regarding the above mentioned areas.

These instructions are in line with principle 10 of UN Global Compact.⁶

Conflicts of Interest

Supplier shall avoid any actual or perceived conflict of interest and shall promptly disclose any conflict of interest or potential conflict of interest which may affect TenneT or its business.

Supplier is aware of TenneT's policy that, in principle, neither TenneT nor its Employees will give or accept any gifts. Supplier shall keep hospitality with TenneT Employees appropriate and reasonable in nature.⁷

⁶ Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

⁷ [Business Directive Gifts and Hospitality](#)

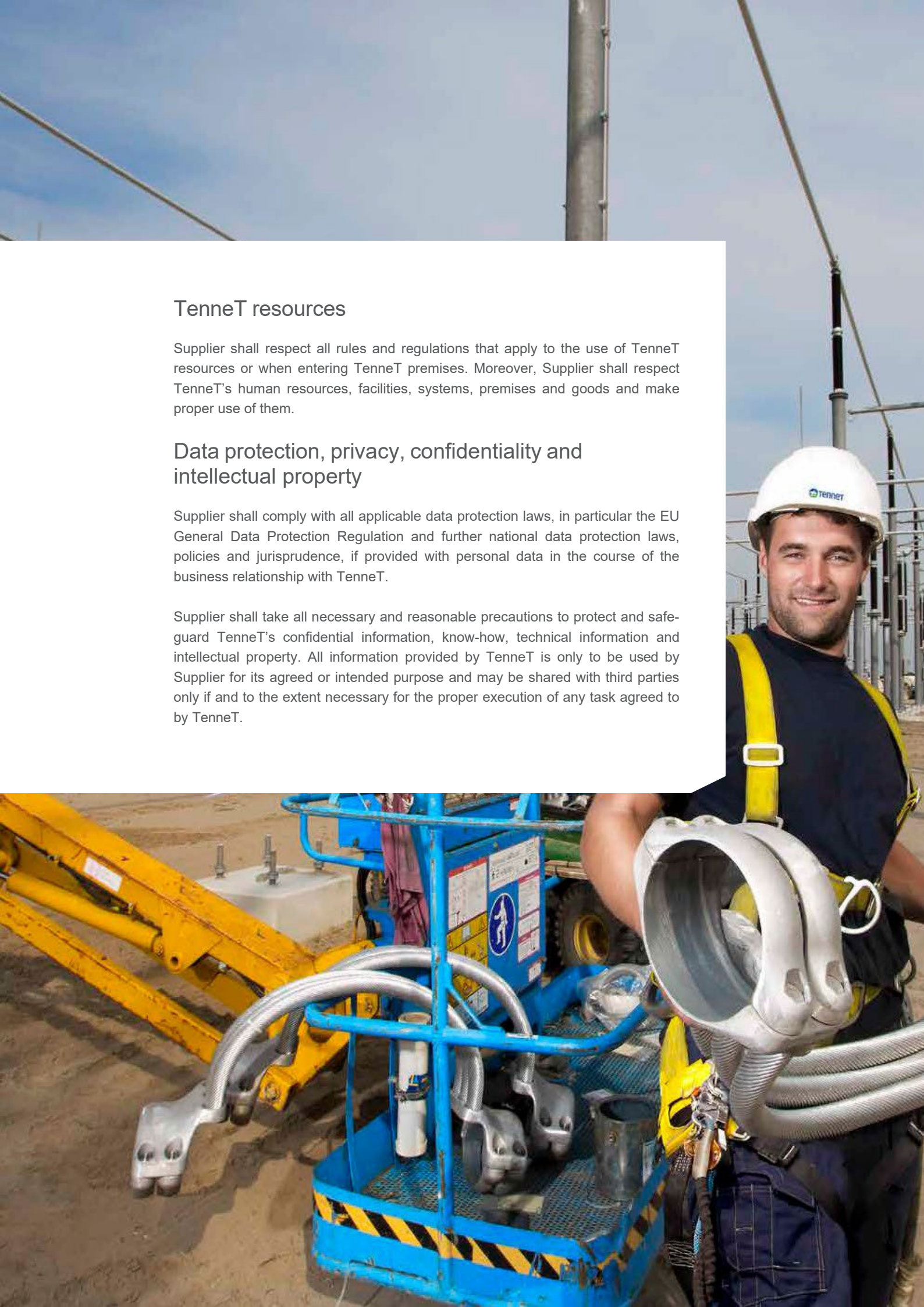
TenneT resources

Supplier shall respect all rules and regulations that apply to the use of TenneT resources or when entering TenneT premises. Moreover, Supplier shall respect TenneT's human resources, facilities, systems, premises and goods and make proper use of them.

Data protection, privacy, confidentiality and intellectual property

Supplier shall comply with all applicable data protection laws, in particular the EU General Data Protection Regulation and further national data protection laws, policies and jurisprudence, if provided with personal data in the course of the business relationship with TenneT.

Supplier shall take all necessary and reasonable precautions to protect and safeguard TenneT's confidential information, know-how, technical information and intellectual property. All information provided by TenneT is only to be used by Supplier for its agreed or intended purpose and may be shared with third parties only if and to the extent necessary for the proper execution of any task agreed to by TenneT.



Monitoring and Audit Rights

Supplier shall have appropriate compliance and control mechanisms in place and be aware of (potential) operational risks and know how to deal with them properly. Supplier shall ensure that any safety risks and incidents are reported to TenneT without undue delay.

TenneT reserves the right to conduct monitoring activities to effectively evaluate Supplier's compliance with this SCC. This includes, but is not limited to, the right for TenneT and its authorized external or internal auditors to perform audits with a prior notification of at least 48 hours, on-site inspections of their offices and/or production facilities, interviews with selected Employees at Supplier's premises, construction sites and other sites where work is carried out on behalf of the Supplier. The audit will be limited to documents related to the business relationship to TenneT. Supplier shall keep accurate books, records and accounts in connection with the services to be performed for or products to be delivered to TenneT. TenneT reserves the right to verify that Supplier acts in compliance with this SCC by requesting Supplier to fill out self-assessment questionnaires and submit them to TenneT or a third party appointed by TenneT to conduct an assessment of the Supplier. Supplier shall provide further information to TenneT on demand, if TenneT considers this necessary.



Violation of SCC

Supplier shall notify TenneT of any failure without undue delay to comply with this SCC. The same applies in case of any illegal or criminal activity that may be suspected or identified, potentially impacting TenneT's business and/or reputation.

Supplier is aware and accepts that violations of this SCC may result in the suspension or (immediate) termination of the business relation with TenneT and any awarded contract for works, goods and/or services without any liability on the part of TenneT.

TenneT reserves the right to oblige the Supplier and assist in establishing an improvement plan together with TenneT. In case insufficient progress is made on such improvement plan in a timely manner, termination of the Supplier business relationship may still result without liability on the part of TenneT.

TenneT encourages Supplier and its Employees to raise their concerns via the TenneT reporting portal. This portal can be reached from anywhere in the world.

NL/EN: bkms-system.com

DE/EN bkms-system.com

Validity

This version of the Supplier Code of Conduct comes into force on 30th April 2023 and replaces the TenneT Corporate Supplier Code of Conduct of 1st April 2019.

The provisions of this SCC may be amended, supplemented or waived from time to time by TenneT. Supplier is expected to accept any modification resulting from legal requirements or which may otherwise be reasonably required.





TenneT is a leading European grid operator committed to a secure and reliable electricity supply - 24 hours a day, 365 days a year. We are shaping the energy transition for a sustainable energy future. As the first cross-border transmission system operator, we plan, build and operate an almost 24,500 kilometres long high and extra-high voltage grid in the Netherlands and Germany and are one of the largest investors in national and international electricity grids, on land and at sea. Every day, our 6,600 employees give their best and ensure with responsibility, courage and networking that more than 42 million end consumers can rely on a stable electricity supply.

Lighting the way ahead together

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