

# THE GUIDE

A Guide to the Vattenfall Code of Conduct for Suppliers and Partners



**VATTENFALL**

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## **1. Introduction**

### **1.1. The Code**

The Vattenfall Code of Conduct for Suppliers and Partners (also referred to as the “Code” or the “CoCfSP”) sets out the minimum requirements that are expected of Vattenfall’s suppliers and partners. It is based on, amongst others, the UN Global Compact, the UN Guiding Principles, and the OECD Guidelines, and is guided by the UN Sustainable Development Goals (See ‘References’ for a full list).

The Code reflects Vattenfall’s commitment to ensuring responsible business practices throughout our value chain. This means promoting sustainability both in and beyond our corporate boundaries. Our suppliers’ and partners’ business operations are also expected to be environmentally, socially, and ethically responsible. Together with our suppliers and partners, we aim to contribute to a positive change in society and in parallel gain long-term competitive advantages.

### **1.2. The Guide**

This Guide to the Vattenfall CoCfSP (also referred to as the “Guide”) has been developed as an accompanying document to the Code. The aim is to ensure that our suppliers and partners have access to a range of different examples on how to fulfil the expectations outlined in the Code, covering issues related to governance, human rights, the environment and business ethics.

The Guide is structured in the same manner as the Code with sections corresponding to the provisions of the Code. Each section of the Guide includes relevant references to the text of the Code. The Guide outlines both what is required and what is expected of our suppliers and partners. This is further supplemented with practical guidance and best practice examples which can be directly applied to business operations, and adapted to fit various business contexts and circumstances.\*

\*Note: these practices are only examples of how to fulfil Vattenfall’s requirements and expectations, alternative practices and activities are of course welcome.

## 2. Vattenfall's Code of Conduct for Suppliers and Partners

### 2.1. General

Living our values and always acting with integrity make us trustworthy. Vattenfall adheres to internationally agreed standards on business ethics, and we conduct all our business in compliance with applicable national and international laws and regulations. For the purpose of this Code, a “supplier” or a “partner” is a legal entity or person involved in, or is about to get involved in, business activities with Vattenfall. Partners include but are not limited to: joint venture and consortium partners.

#### **Vattenfall requires its suppliers and partners to:**

- Comply with the Code or an equivalent standard, agreed together with Vattenfall, when doing business with Vattenfall.

#### **Examples of good practice**

- Develop and maintain a Code with equivalent standards and expectations as the Vattenfall Code.
- Ensure there is an individual or group responsible for the implementation of the Code or equivalent standard.

#### **Vattenfall expects its suppliers and partners to:**

- Ensure their supply chains adhere to equivalent standards as outlined in this Code.

#### **Examples of good practice**

- Communicate the expectations to the relevant departments, such as procurement, sourcing, supplier management, etc. to ensure suppliers adhere to the same level of requirements.

## 2.2. Compliance with laws and regulations

Vattenfall conducts business in compliance with applicable laws, rules, and regulations in the countries and areas in which we operate. We have in place an integrity organisation that supports Vattenfall in identifying, mitigating, and monitoring the risk of non-compliance with laws, regulations, rules, standards, and the codes of conduct, relevant to Vattenfall's activities.

### **Vattenfall requires its suppliers and partners to:**

- Comply with applicable laws, rules and regulations in the countries in which they operate.
- In case of contradictions between the Code and applicable laws, rules and regulations, suppliers and partners shall inform Vattenfall.

### **Examples of good practice**

- Continuously review current and future local laws, rules and regulations to understand the impacts on business operations.
- Establish routines, including roles and responsibilities, for reviewing and responding to current and future laws, rules and regulations.

### **Vattenfall expects its suppliers and partners to:**

- Meet the more stringent requirements between the Code and applicable laws, rules and regulations.

### **Examples of good practice**

- Conduct a mapping and comparative study between the Code and local laws and legislation to understand which is more stringent.
- Subscribe to legal databases and newsletters to remain up-to-date with local legislation.
- Create legal management systems to keep track of local legislation applicable to operations of the business.

## 2.3. Commitment to continuous improvement

At Vattenfall, we are always searching for ways to improve our current ways of doing business. Vattenfall recognizes that suppliers and partners will be at different stages of maturity, and we therefore commit to working together with them to achieve continuous improvement. If Vattenfall finds that a supplier or partner is not meeting the requirements and expectations set out in the Code, Vattenfall may offer guidance specifying which issues need to be corrected or improved. Suppliers and partners should then promptly take corrective actions and commit to showing progress.

### **Vattenfall encourages suppliers and partners to:**

- Work together with Vattenfall to achieve continuous improvement.
- Participate in initiatives aiming to raise the standard of an entire sector or across sectors, where applicable.

### **Examples of good practice**

- Conduct internal trainings with the concerned departments, such as purchasing departments to increase knowledge and raise awareness.
- Conduct external cluster trainings with suppliers in the supply chain.
- Benchmarking with similar companies and industries.
- Periodic mapping of weak areas, which can result in increased trainings and awareness in those areas.
- Actively participate in industry initiatives to continuously improve the inclusion and depth of sustainability in standards and best practises.

## 2.4. Consequences in case of violations

Vattenfall will seek appropriate remedial measures to prevent, stop, or minimize the extent of a violation. A major failure, persistent failure to comply with the Code, or repeated and unjustified refusal to provide the required information can result in the suspension or termination of the suppliers' and partners' activities with Vattenfall.

### **Vattenfall requires its suppliers and partners to:**

- Address any violations of the Code or equivalent standards that come to their knowledge and take appropriate actions.

### **Examples of good practice**

- Have clear policies and processes in place for remediation and mitigation of any violations for each area of the Vattenfall Code.

### **In case a violation is identified Vattenfall may take the following steps:**

1. Engage with the supplier in order to establish appropriate actions and time frame for remediation. As long as the violation continues the supplier should be able to demonstrate its own on-going efforts to mitigate the impact;
2. In case the supplier fails to take action, or neglects to demonstrate efforts of improvement, in accordance with the agreed upon time frame, or in case of reoccurring violations, Vattenfall may temporarily cease activities with the supplier until appropriate remedial action is taken;
3. As a last resort, in case the supplier does not resolve the violation after temporary cessation, Vattenfall will terminate its relationship with the supplier.

## 2.5. Due diligence and transparency

Vattenfall conducts due diligence by regularly and systematically identifying and assessing human and labour rights, environment and business ethics related risks and impacts in its value chain, and uses this information to avoid, mitigate or remediate the impacts in order to ensure that it operates responsibly and sustainably.

### **Vattenfall requires its suppliers and partners to:**

- Allow Vattenfall and/or a third party, authorised by Vattenfall and reasonably acceptable to the supplier and partner, to conduct audits and assessments of the supplier's and partner's operations relevant for the Code; including but not limited to the supplier's and partner's facilities.
- At the supplier's and partner's request, the parties involved in any such audit shall enter into a confidentiality agreement regarding the circumstances disclosed in the audit or assessment.

### **Vattenfall expects its suppliers and partners to:**

- Conduct sustainability due diligence in their own operations and supply chain.
- Implement appropriate mitigation and remediation measures in relation to the level of risk and impact.
- Communicate transparently about the results to Vattenfall upon request.

### **Examples of good practice**

- Due diligence should be:
  - an integral part of the supplier's decision-making .
  - conducted on an ongoing basis.
  - appropriate to the supplier's circumstances, including the context of its operations, business model, position in supply chain, and nature of its products/services.
- Collaborate at an industry/multi-stakeholder level, to identify, assess and address risks.
- Use the below framework for carrying out due diligence.

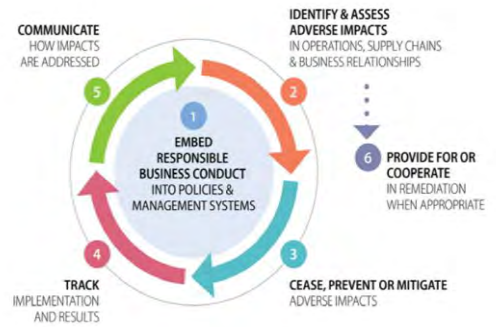


## Due diligence process and example supporting measures

1. Embed responsible business conduct into policies and management systems
  - a. Review and update existing policies;
  - b. Assign oversight and responsibility for due diligence to relevant senior management.
2. Identify and assess actual and potential adverse impacts associated with the enterprise's operations, products or services
  - a. Carry out in-depth assessment on areas in the enterprise where adverse impacts are most likely to be present and most significant;
  - b. Assess whether the enterprise caused, contributed, or has operations linked to the identified adverse impacts.
3. Cease, prevent and mitigate adverse impacts
  - a. Consult with the impacted stakeholders and their representatives to formulate appropriate actions and plans;
  - b. Assign responsibility for developing, implementing and monitoring actions and plans.
4. Track implementation and results
  - a. Carry out screenings and periodic audits of the outcomes achieved, and periodically assess business relationships, to verify that risk mitigation measures are being pursued;
  - b. Set effective KPIs within business areas to measure success of management systems.
  - c. Engage with suppliers, working on industry initiatives;
  - d. Maintain dialogues with external stakeholders regarding effectiveness of preventive measures in the business operations;
  - e. Conduct assessments on supplier base to track adherence to compliance measures.
5. Communicate, internally and externally, how impacts are addressed
  - a. Report relevant information on due diligence conducted to identify and address adverse impacts.

6. Provide for or cooperate in remediation when appropriate

- a. Seek to restore the affected person(s) to the situation they would be in had the adverse impact not occurred;
- b. Enable remediation proportionate to the significance and scale of the adverse impact.



Source: [OECD](#)

## 2.6. Management systems and monitoring

Monitoring the performance of our work is an essential part of reaching Vattenfall's goals and objectives. Having the right management systems and controls in place helps us to do so and are therefore applied throughout the business and across the regions in which we do business. Management systems and monitoring their performance extend beyond a due diligence management system, to a range of other areas including but not limited to, management systems for the environment, health and safety, human rights, etc. Management systems that incorporate a risk based approach in turn support effective due diligence inside and outside of the company's activities.

### **Vattenfall expects its suppliers and partners to:**

- Have adequate risk management systems and controls in place to ensure compliance with the Code or agreed equivalent standards.
- Secure and monitor that their own suppliers and sub-suppliers comply with the Code or, where applicable, their own equivalent code of conduct.

### **Examples of good practice**

- Establish effective management systems, such as policies, processes and procedures, that are aimed at ensuring compliance with the Vattenfall Code.
- Establish effective management systems that include relevant policies and procedures aimed at assessing risks of non-conformities, integrating and acting upon findings, monitoring progress and communicating the process and results.
- The functioning and quality of the supplier's or partner's management system should be in proportion to the size, complexity and environment of the supplier's or partner's business.
- See also 3.11. and 4.3.

### 3. Human rights and labour rights

#### 3.1. General

We acknowledge that we have a responsibility to respect all internationally recognised human rights, and that we are in a position to make a positive impact on human rights issues. We systematically identify, assess, and manage human rights risks and impacts through due diligence processes which cover our own operations. Part of our responsibility is also to ensure that those with whom we do business, including our suppliers and partners, have the same level of commitment to respecting human rights as we do.

#### **Vattenfall requires its suppliers and partners to:**

- Respect internationally recognised human rights, as set out in the Universal Declaration of Human Rights. This shall apply to all of the suppliers' and partners' workers, including temporary, migrant, student and contract workers, as well as direct employees.
- Take measures to avoid causing, contributing, or being linked to negative human rights impacts.

#### **Examples of good practice**

- Ensure there are policies and processes appropriate to the company's size and circumstances in place.
- Conduct trainings to raise awareness of human rights issues.
- Engage with suppliers through dialogues, onboarding processes, audits, assessments, and corrective actions.
- Monitor and assess human rights related actions.
- Report regularly and transparently on the human rights work.

**Please read more in Vattenfall's [Human Rights Policy](#)**

## Level of impact and required action(s)

According to the United Nation’s Guiding Principles (UN Guiding Principles), a company can be involved in an adverse human rights impact in three different ways:

1. **Cause** - It may cause the impact through its own activities (directly causing human rights abuse);
2. **Contribute** - It may contribute to the impact through its own activities or business relationships;
3. **Linkage** - It may be involved because the impact is caused by an entity with which it has a business relationship and is linked to its own operation.

The severity of the adverse impact on human rights determines the priority the company must give the issue. It is the risk to the individual and human rights that steers which impact receives priority. Severity is determined by:

1. **Scale** – gravity of the impact;
2. **Scope** – number of individuals that are/will be impacted; and
3. **Irremediable character** – the limit on the ability to restore those affected to a situation at least the same, or equivalent to, their situation before the impact

The following figure illustrates level of impact and required actions

<b>CAUSE</b>	Cease/Prevent	Remediate
<b>CONTRIBUTE</b>	Cease/Prevent/ Mitigate	Contribute to remediation
<b>LINKAGE</b>	Use leverage	Remediation not required/ voluntary

Source: [UN Guiding Principles](#)

Once the actual and potential impacts are determined, this will in turn guide how the company should act (see the table for illustration).

Suppliers and partners need to consider all types of rightsholders in the measures they take, including but not limited to workers, affected communities, and human rights defenders.

### 3.2. Indigenous peoples

Indigenous peoples hold certain additional rights according to international human rights principles, including an express right to be heard. Vattenfall recognizes that our activities could impact Indigenous peoples located in the areas in which we operate.

**Vattenfall requires its suppliers and partners to:**

- Respect the rights of Indigenous and tribal peoples and their social, cultural, environmental, and economic interests, including their connection with lands and other natural resources.

**Examples of good practice**

- Implement clearly defined stakeholder engagement processes to ensure the thoughts, concerns and aspirations of Indigenous peoples are considered in decision making
- Collaborate with stakeholders located in areas where you operate to minimise the effects of your operations.
- Involve representatives of Indigenous peoples in frequent meetings and dialogue regarding projects and other business activities where Indigenous peoples live and work.
- Perform trainings to employees working with or in areas inhabited by Indigenous peoples about the rights of Indigenous peoples.

**Vattenfall expects its suppliers and partners to:**

- respect the principles of free, prior and informed consent, and participation, to obtain broad-based consent of Indigenous and tribal peoples in their activities.

**Examples of good practice**

- Act in accordance to the free, prior, informed consent, and participation (FPIC) principles, as displayed below.

Please read more Vattenfall’s responsibility towards Indigenous people [here](#)

## FPIC (Free, Prior, Informed, Consent):

### Free

Refers to a **consent given voluntarily** and without coercion, intimidation or manipulation.

It also refers to a process that is self-directed by the community from whom consent is being sought, **without coercion, expectations or timelines** that are externally imposed.

### Prior

Means that **consent is sought sufficiently in advance of any authorization or initiation of activities**, at the early stages of a development or investment plan, and not only when the need arises to obtain approval from the community.

### Informed

Refers mainly to the nature of the engagement and **type of information that should be provided prior to seeking consent** and also as part of the ongoing consent process. Information should be accessible, accurate, objective, understandable, verifiable, etc.

### Consent

Refers to **the collective decision made by the rights-holders and reached through the customary decision-making processes** of the affected indigenous peoples or communities. Once given, consent can still be withdrawn.

Consent must be sought and granted or withheld according to the unique formal or informal political-administrative dynamic of each community. Rights-holders must be able to participate through their own freely chosen representatives, while ensuring the participation of marginalized groups as much as possible.

As stated by the Food and Agriculture Organization of the United Nations; FPIC is a principle protected by international human rights standards that state, ‘all peoples have the right to self-determination’ and – linked to this right – ‘all peoples have the right to freely pursue their economic, social and cultural development’. Below you will find our summary of their FPIC manual, designed to assist organizations to respect the right to FPIC when developing and implementing projects affecting Indigenous peoples.

### 3.3. Community engagement and development

Community engagement and consultation is a crucial step in a company's due diligence processes. It is by engaging with local stakeholders that a company is able to increase its understanding of the local context, and in turn understand the actual and potential adverse human rights impacts associated with the company's operations in that area.

**Vattenfall requires its suppliers and partners to:**

- Respect the rights, interests, and development aspirations of affected communities and vulnerable groups during significant changes of suppliers and partners normal operations.
- Engage in transparent, open, and honest dialogue and collaborate with stakeholders and authorities in and around the area in which they operate.

**Vattenfall expects its suppliers and partners to:**

- Carry out community engagement in an inclusive, equitable, culturally appropriate, gender-sensitive, and rights compatible manner.

**Examples of good practice**

- Consult potentially affected stakeholders at appropriate intervals, taking into account local languages, for instance:
  - When entering into a new activity or relationship;
  - Prior to making major decisions or changes to business operations;
  - In response to or in anticipation of changes in the operation environment.
- In case engagement with potentially affected stakeholders is not possible, suppliers can instead consult credible alternatives, e.g. human rights defenders and civil society organisations.
- Make sure that all relevant groups are represented, whilst considering local challenges and barriers to representation.
- When engaging with communities, bear in mind the different risks that may be faced by women and men.



### 3.4. Child labour and young workers

Child labour, or work that deprives children of their childhood, their potential, and their dignity, and that is harmful to physical and mental development, is explicitly prohibited in all our operations. Vattenfall adheres to the ILO's Minimum Wage Convention, which concerns the minimum age of admission to employment and work. It includes for instance hazardous work, basic minimum age, and light work.

#### **Vattenfall requires its suppliers and partners to:**

- Work against all forms of child labour, and not participate in, or benefit from, any form of child labour.
- Not employ children below the minimum age of employment or the age for completing compulsory education in that country, whichever is higher.
- Not employ any workers under the age of 18 to perform any work that is defined in national law as hazardous.

#### **Vattenfall expects its suppliers and partners to:**

- Put in place a remediation programme if child labour is detected.

#### **Examples of good practice**

- Young workers should not work excessive overtime hours, night shifts, or receive remuneration below what adult workers earn for the same work.
- A remediation program can be developed using to the [ILO-IOE Child Labour Guidance Tool for Business](#)

### 3.5. Use of security personnel

It is important for Vattenfall that its employed or contracted security personnel, either public or private security forces, respect human rights and act in accordance to international standards of conduct.

#### **Vattenfall requires its suppliers and partners to:**

- Ensure that all security personnel, including contracted security personnel, respect the human rights and dignity of all people and in case of a threat, use reasonable force proportional to the threat.

#### **Examples of good practice**

- Conduct ongoing risk assessments of the security situation in the supplier's operating environment, including:
  - Identification of security risks and the potential for violence;
  - The human rights records of the security forces;
  - The rule of law and the local judiciary's capacity to hold human rights abusers accountable;
  - A conflict analysis to understand the root causes and nature of local conflicts.
- Require all security forces to respect the Voluntary Principles on Security and Human Rights, and as far as possible, include references to these Principles in contracts with security forces.
- Conduct background checks of security forces in order to take appropriate measures to avoid individuals, who are credibly implicated in human rights abuses, providing security forces.

### 3.6. Modern slavery and forced labour

All forms of modern slavery are unacceptable to Vattenfall. This includes but is not limited to slavery, servitude, forced or compulsory labour, and human trafficking. Due to the severity of the potential impacts of modern slavery, actions to mitigate such risks are of utmost priority for suppliers operating or sourcing from high-risk areas.

**Vattenfall requires its suppliers and partners to:**

- Not participate in, or benefit from any form of forced labour, including bonded labour, involuntary prison labour, slavery, servitude or work performed under the menace of a penalty or coercion.
- Ensure all of their workers have the right to enter into and terminate their employment freely, as well as conduct work on a voluntary basis.

**Relevant frameworks:**

- International Bill of Human Rights (Consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights)
- ILO Forced Labour Convention, 1930 (No. 29)
- ILO Abolition of Forced Labour Convention, 1957 (No. 105)

**Examples of good practice**

- Have policies in relation to modern slavery and forced labour.
- Have a due diligence process in place that is specifically aimed at identifying, assessing, and managing risks related to modern slavery in your operations and supply chains. This should include the actions that are taken if such risks are identified.
- Train employees and workers on what slavery and human trafficking is and what the indicators are.
- Have effective grievance mechanisms in place for potential victims of modern slavery.
- Do not confiscate or deny workers access to their identification documents, including but not limited to immigration documents, passports, work permits, or similar.

Please read more on Vattenfall’s statement on slavery and trafficking [here](#).

### 3.7. Conflict-affected and other high-risk areas

Conflict-affected and high-risk areas are identified by the presence of armed conflict, widespread violence or other risks of harm to people. Operating in and sourcing from conflict-affected and high-risk areas means that there are significant risks of being complicit in severe human rights abuses, as well as violations of national and international law. Whilst Vattenfall's operations are not located in conflict-affected or high risk areas, there is a potential risk that sourcing from such an area can happen in our supply chain.

#### **Vattenfall requires its suppliers and partners to:**

- Assess whether their own operations, or supply chains, are located in or are sourcing from conflict-affected or other high-risk areas and in such cases adopt enhanced due diligence measures suited to the specific context.
- Take necessary steps to monitor business relationships, business and financial transactions, flows and resources to ensure that they are not linked to providing funding or support to armed actors who may benefit from revenues generated by the sale of such goods and services.

#### **Vattenfall expects its suppliers and partners to:**

- Not to be involved in any activities that seek to undermine civil society and civic freedoms.

#### **Examples of good practice**

- Conduct enhanced due diligence measures, building on a regular human rights due diligence process and taking a conflict-sensitive approach.
  - Take measures to understand the context in which you operate, i.e.. through an analysis of actual/potential conflicts.
  - Conduct an analysis to understand how your business operations interact with the context.
  - Define and implement mitigation measures that are able to address the actual/potential adverse impacts and capitalise on any opportunities to strengthen social cohesion and peace.
- Consider the risk of being complicit in war crimes in your due diligence procedures if your business operations are located in or are sourcing from conflict-affected and high-risk areas.

### 3.8. High risk minerals

For Vattenfall, high risk minerals include both, conflict minerals (in accordance with the EU and OECD) and Critical Minerals for the Energy Transition (as identified by IEA, IRENA and World Bank). Conflict minerals are narrowly defined, by the EU as 3TG (tin, tungsten, tantalum and gold) and are understood broadly as other minerals sourced from Conflict-Affected and High-Risk Areas (CAHRA) as outlined by the OECD Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas, which could include minerals such as cobalt. Critical Minerals for the Energy Transition are all minerals that are essential for the decarbonisation of our energy system and will see a massive growth in the market. These minerals include aluminium, chromium, cobalt, copper, graphite, indium, iron, lead, lithium, manganese, molybdenum, nickel, phosphorus, silver, titanium, vanadium, zinc, rare earth elements (REEs) and platinum group metals (PGMs).

**Vattenfall requires its suppliers and partners to:**

- Take appropriate steps to identify the use of high risk minerals in their supply chain.
- Establish traceability or chain of custody to its source or processing location.
- Ensure risks are identified and appropriate mitigation and remediation measures are implemented up the supply chain.

- Use certified high risk minerals when it is known that minerals are sourced from or produced in countries or conditions with adverse environmental and human rights impact;
- Promote circular economy of high-risk minerals by sourcing recycled minerals and facilitating re-entry of used minerals into the market.

**Examples of good practice**

- Map full high-risk mineral supply chain;
- Reduce the use of high-risk minerals by conscious technology choices or optimized product design;
- Reuse and recycle high-risk minerals

**Vattenfall expects its suppliers and partners to:**

- Share relevant information on the origin of minerals and any relevant assessments upon request.
- Publicly disclose their due diligence efforts.
- Strive to reduce the use of high risk minerals in their supply chains.

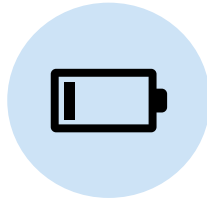
## High Risk Minerals – Definition



### Conflict minerals

Tin, tungsten, tantalum, gold or other minerals sourced from Conflict-Affected and High-Risk Areas (CAHRA), such as cobalt.

As identified by the OECD Guidelines and the EU Regulation.



### Critical Minerals for the Energy Transition\*

Aluminum, chromium, cobalt, copper, graphite, indium, iron, lead, lithium, manganese, molybdenum, nickel, phosphorus, silver, titanium, vanadium, zinc, rare earth elements (REEs)\* and platinum group metals\*\* (PGMs).

As outlined by the IEA, IRENA and World Bank.



### \* Rare Earth Elements (REEs)

Minerals that occur in small quantities, are chemically bonded and are costly to extract, including yttrium, scandium and lanthanide elements (lanthanum, cerium, praseodymium, neodymium, promethium, samarium, europium, gadolinium, terbium, dysprosium, holmium, erbium, thulium, ytterbium, and lutetium).

### \*\* Platinum Group Metals (PGMs)

Family of six structurally and chemically similar elements that are most valued for their wide range of industrial, medical, and electronic applications, including platinum, palladium, rhodium, iridium, ruthenium, and osmium.

### 3.9. Hours of work

Having normal or standard working hours in place is important for employees' mental and physical health. Working excessive overtime, especially on a regular basis threatens this health. Vattenfall follows international and national standards when it comes to working hours, both regarding normal and overtime hours.

#### **Vattenfall requires its suppliers and partners to:**

- Ensure that normal working hours and overtime working hours for all workers are within the limits permitted by applicable laws and regulations or agreed to in relevant collective agreements and should not cause any physical or mental harm.
- Not punish or retaliate against workers (without distinction) who are unable or refuse to do overtime. This includes but is not limited to dismissal threats, wage reductions, abuse, etc.

#### **Relevant frameworks:**

- ILO (core conventions)
- Universal Declaration of Human Rights
- International Labour Standards on working time
- [International Labour Standards on Working time \(ilo.org\)](https://www.ilo.org/)

#### **Examples of good practice:**

- All employees must have at least one day off per week, as well as holiday and leave in accordance with applicable legislation and local traditions. Exemptions from the above may only be made by agreement with trade unions or other employee organisations;
- The total working hours should not exceed limits set by the ILO standards;
- All overtime work must be voluntary, not exceeding limits set by the ILO standards;
- All employees must have a signed employment contract before employment begins, and must contain the employer's name, the employee's name and personal ID number/date of birth, the position, salary, working hours, overtime compensation, benefits and notice period;
- Keep a record of employee working hours, including a separation of normal and overtime working hours.

### 3.10. Wages, leave and benefits

Remuneration and pay at Vattenfall should always be fair, sustainable and reflect local labour laws (i.e. compliant), in line with the market and collective labour agreements. Vattenfall's activities and ways of working aim to contribute to the Sustainable Development Goal that specifically concerns inequalities, and has committed to equal pay, as well as equal leadership and equal opportunities for women in the energy sector by 2030.

**Vattenfall requires its suppliers and partners to:**

- Pay a fair and equal wage, including benefits and leave, to all workers that meets basic needs, and strive for a discretionary income in compliance with applicable laws and/or relevant collective agreements.
- Compensate workers for overtime at pay rates greater than regular hourly rates.

**Vattenfall expects its suppliers and partners to:**

- Aim to minimise and mitigate structural differences in pay and benefits between genders for equal or comparable work.

**Fair and equal wage:** all workers and employees have the right to receive a fair and equal wage for work of equal value (same or similar). This includes, but is not limited to, workers who identify as women, men, persons with disabilities, migrant workers, and young people.

**Examples of good practice:**

- Information about wage payments and worked time must be documented for all employees. This information must be saved for at least 24 months, and must as a minimum include worked regular hours, overtime, any piece work pay and bonuses, subsistence allowances, any wage deductions as well as paid net wages;
- As a minimum, the statutory wage must be paid out regularly, at least once a month. Every time wages are paid, employees must receive a payslip containing information about worked regular hours, overtime, any piece work pay and bonuses, subsistence allowances, any wage deductions as well as paid net wages;
- All employees must receive statutory benefits such as illness and accident insurance and a pension.



### 3.11. Health and Safety (H&S)

At Vattenfall, our work within Health and Safety is both proactive and an integrated part of daily business with a clear ambition to become World class in Health and Safety. We have a goal of zero accidents, work-related illnesses and zero-tolerance for harassment. Vattenfall expects you as a supplier or partner to also have clear health and safety ambitions.

**Vattenfall requires its suppliers and partners to:**

- Provide a safe and healthy environment across all locations where work is undertaken and when the supplier or partner is providing housing facilities to its personnel.
- Ensure all work shall be preceded by and based on documented adequate risk management with implemented controls. This includes physical, social and organisational health risks.
- Reduce their risks according to the hierarchy of control principles (see below): elimination, substitution, engineering controls, administrative controls, and as a last alternative, personal protective equipment.

**Examples of good practice:**

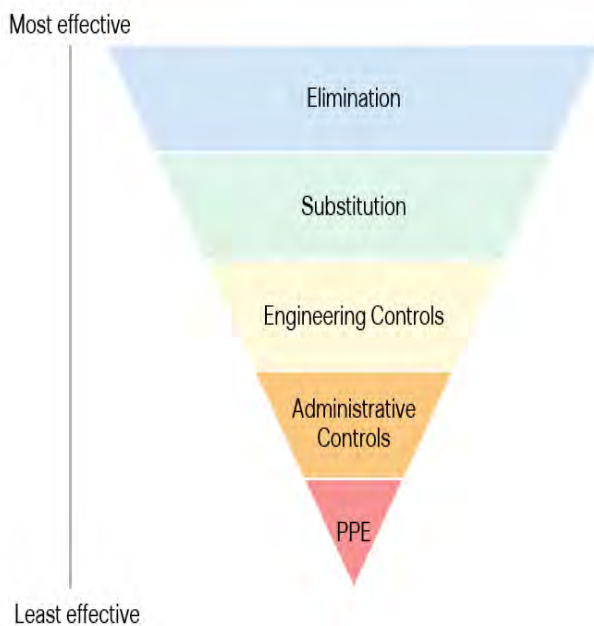
- Establish a H&S Policy to ensure the health, safety and welfare of its employees.
- Establish organisational competence to identify workplace trainings needed to ensure safety procedures are understood and followed (i.e. what training is needed and how to get it).
- Every employee should take part of health and safety trainings. Content of the training must be described and a register of employees that have conducted the training should be at hand.
- Plan through risk assessment, this includes evaluating- workplace hazards involved in doing a task and consider the risks from those hazards and how to mitigate them. The Hierarchy of Control principles (see below) shall be used to mitigate hazards as a way of determining which actions will best control exposure.
- Implement work routines to minimise the risk of injuries and ill health.
- Personal protective equipment should be available and free of charge.
- Safety information and warning signs must be easily visible in all risk areas and should be in a language that the employees understand.

- Convey clear instructions to all employees on how and when to report incidents and hazards.
- In the event of an accident, a report should be filed and an investigation shall be carried out to determine the root cause(s) and implement measures to prevent recurrence. The reporting, findings and learnings should be shared with Vattenfall to promote continuous improvement.
- Monitor performance through periodic inspections aimed at identifying unsafe conditions and unsafe practises, for example poor housekeeping, unguarded equipment or blocked fire exists.
- Periodically review the company’s health and safety performance based on, for example, inspection findings and incidents in order to improve from lessons learned.

Please read more in Vattenfall’s [Health & Safety Policy](#)

### Hierarchy of Control Principles

These principles are used to minimize and/or eliminate exposure to hazards. Companies should always strive for elimination, but where this is not possible, the second most effective measure should be applied.



**Elimination**

Physical removal of the hazard.

**Substitution**

Replace the hazard.

**Engineering Controls**

Isolate people from the hazard.

**Administrative Controls**

Change the way people work.

**Personal Protective Equipment (PPE)**

Protect the worker with Personal Protective Equipment.

### 3.12. Freedom of association and collective bargaining

At Vattenfall, every worker has the right to freedom of association and collective bargaining. It is part of our commitment to human rights and an essential part of ensuring that society is open and free. It is through the freedom of association and collective bargaining that our workers have the ability to, for instance, be represented by an organisation of their choice or by themselves, voice their concerns, and address their rights.

#### **Vattenfall requires its suppliers and partners to:**

- Recognise and respect the rights of all employees, including women, migrant workers, minorities, and other vulnerable groups, to freely associate, organise and bargain collectively, if the rightsholders so wish.

#### **Vattenfall expects its suppliers and partners to:**

- Allow for and not hinder alternative and independent forms of worker representation, in situations where the right to freedom of association and collective bargaining is restricted by applicable laws and regulations.

#### **Examples of good practice**

- Not to interfere with a worker's decision to associate, or form their own independent form of representation.
- Encourage and support workers who engage in alternative and independent forms of worker representation if the right to association and collective bargaining are restricted by law.
- Train management and workers on workers' rights and the role of unions.
- Raise awareness on the importance of freedom of association and collective bargaining, as well as the benefits to the employees.
- Not to interfere with the activities of workers' representatives while they carry out their functions.
- Implement policies and routines that respect the rights of employees to freely associate and bargain collectively.

### 3.13. Equality and non-discrimination

In a fast-changing energy market and with an ambitious goal of enabling fossil free living we need wide-ranging perspectives to challenge us and be part of the solution. At Vattenfall, equality, diversity and inclusion are fundamental to our success and is embedded in our culture, reflected in our processes, and reinforced by our Codes of Conduct for employees, suppliers and partners.

**Vattenfall requires its suppliers and partners to:**

- Promote equality, diversity and inclusion, and not practice any form of discrimination in hiring, promotion, development, remuneration, and termination practices.



**Examples of good practice**

- Implement a clear statement or policy against discrimination. Illegitimate grounds for discrimination include but are not limited to race, colour, gender, age, language, property, nationality or national origin, religion, ethnic or social origin, caste, economic grounds, health status, disability, pregnancy, belonging to an indigenous people, trade union affiliation, political opinion, or sexual orientation.
- Training and events to build awareness, such as e-learnings and group workshops to sustain behavioural change.
- Evaluation and development of our recruitment and HR processes.
- Benchmarking and measuring progress.

**Please read more in Vattenfall’s D&I Strategy**

### 3.14. Grievance channels and remediation mechanisms

It is of great importance to Vattenfall to protect the company, its employees, suppliers and customers, the environment as well as society as a whole, against serious irregularities that might be conducted by Vattenfall or its employees. We have therefore established a possibility to report serious irregularities through several different reporting lines.

**Vattenfall requires its suppliers and partners to:**

- Have routines for dealing with harassment, including physical, psychological, and sexual.
- Communicate that any form of harassment is unacceptable and must be reported.

**Vattenfall expects its suppliers and partners to:**

- Make available appropriate grievance mechanisms to all personnel and interested parties, including affected communities, to make comments, recommendations, reports or complaints concerning the workplace, the environment, or the supplier's or partner's business practices.
- Have a remediation process in place through which reported human rights violations can be appropriately remediated and followed up upon.

**Examples of good practice**

- Provide one or more well-published points of access to the grievance mechanism, with at least one being independent of the company management.
- Be transparent with complainants regarding the process, including its confidentiality, deadlines, and final outcomes.
- Establish dialogues wherever possible between the supplier and the complainant(s) or their representatives.
- Ensure there are routines in place through which harassment is dealt with.

## 4. Environment

### 4.1. General

At Vattenfall, we are committed to reducing our environmental footprint. We believe continuous improvement of environmental performance in all parts of our operations is a prerequisite for sound business development. Therefore, environmental considerations are part of our daily operations, and our performance builds on the contribution of all our employees. Our Environmental Policy underpins this ambition and outlines our approach on delivering our mission of enabling society to become fossil free. Through our policy, we commit to becoming climate neutral, protecting nature and biodiversity, and using resources sustainably, and expect our suppliers to help us reach our environmental ambitions by contributing to these goals.

#### **Vattenfall requires its suppliers and partners to:**

- Manage their operations responsibly in relation to the environment – including protecting nature and biodiversity, ensuring sustainable use of resources (see Section 4.4) and considering climate change impacts (see Section 4.5).
- Actively work with reducing the environmental risks and impacts associated with their supply chains.
- Be proactive in their environmental work, adopt a precautionary approach, and consider environmental impacts from a full value chain perspective.

#### **Examples of good practice:**

- Develop practices that ensure responsible management of one's operations in relation to the environment, and ensure these practices are adopted by suppliers and partners

**Please read more in Vattenfall's [Environmental Policy](#)**

## 4.2. Environmental legislation

Vattenfall conducts business in compliance with applicable laws, rules, and regulations in the countries and areas in which we operate to ensure protection of the natural world and to promote sustainable and environmental principles. Our work aims to protect the integrity of natural resources such as land, air, water and soil by complying with the relevant regulations and this is also expected of our suppliers and partners.

### **Vattenfall requires its suppliers and partners to:**

- Obtain and maintain all required permits and licenses and have these documented in a register.
- Comply with the operational and reporting requirements of such permits and licenses.
- Routinely follow up with adequate reviews, verifications and inspections to ensure environmental legislation and permits are being maintained
- Register, report and follow up all negative and positive environmental events that occur during operations.

### **Examples of good practice**

- Continuously review current and future local environmental legislation to understand the impacts on business operations.
- Establish routines, including roles and responsibilities, for reviewing and responding to current and future environmental laws, rules and regulations.
- Develop Environmental Management Plans to document measures and procedures to achieve compliance with environmental protection and legal requirements.

### 4.3. Environmental management system

As a leader in environmental sustainability, it is important to have a strong foundation upon which our environmental work can continue to improve. Part of this foundation includes our environmental management system, which defines the requirements for environmental management across all of our operations and business areas. It ensures that our work is systematic and organised, as well as steered in an efficient manner which ensures continuous improvement of our environmental performance.

#### **Vattenfall requires its suppliers and partners to:**

- Have a structured and systematic approach to working with their environmental aspects if their activities have an environmental impact.
- Have an established, suitable management system for improving environmental performance, setting targets, and performing follow-ups.
- Facilitate and promote continual improvement.

#### **Examples of good practice**

- Have an environmental management system, suitable for the size of your company, to improve and control your environmental performance (ie. ISO14001, EMAS and/or equivalent).
- Set environmental targets that address relevant environmental aspects.
- Perform follow-ups on environmental targets.
- Provide training to employees on environmental awareness and on environmental management systems used by the supplier.



## 4.4. Environmental protection

Protecting the environment around us and using resources in a sustainable way are some of the key priorities in our daily operations. Vattenfall continuously assesses and reviews how its operations impact the environment, and our goal is always to protect nature and biodiversity and to use resources sustainably. We expect the same of our suppliers.

### **Vattenfall requires its suppliers and partners to:**

- Avoid or minimize any waste or polluting emissions as a result of their business activities.
- Use resources such as energy, water, land and raw materials in an efficient and sustainable manner.
- Avoid and minimise impacts on environment and ecosystems. Compensation and restoration measures are to be used when the environmental impact cannot be fully avoided or mitigated.
- Manage hazardous substances responsibly and actively substitute for less hazardous substances.





### **Vattenfall expects its suppliers and partners to:**

- Work in accordance with respective best practice standards and guidelines where environmental sensitivities are concerned
- Strive to use Best Available Technologies and working methods, with the aim to reduce the environmental impact as much as possible.

### **Examples of good practice**

- Regularly review Best Available Technologies to understand where to best implement them into operations.
- Regularly assess and mitigate impact on biodiversity.
- Set targets which specifically address environmental protection. Actively follow the mitigation hierarchy (see below) to minimise adverse impact on the environment and ecosystems.
- Conduct impact assessments to better understand and manage the extent to which one's operations impact the surrounding area.
- Designate a responsible person with appropriate environmental qualifications to oversee operations.

## Mitigation Hierarchy

-  = Impact on biodiversity
-  = Reduced impact though avoidance
-  = Reduced impact though mitigation
-  = Biodiversity gains though enhancement

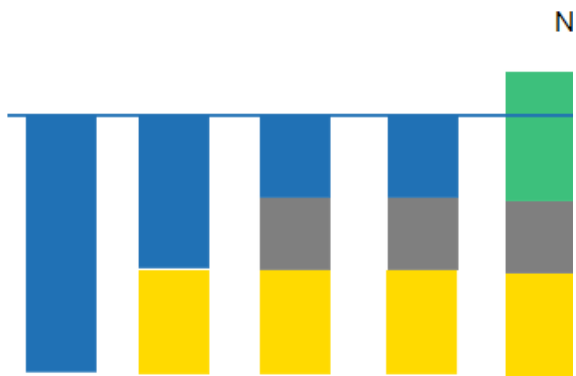


Figure 1. The different steps of the mitigation

## 4.5. Climate impact

Climate is at the core of Vattenfall’s strategy and we are focused on one goal: to enable fossil free living within one generation. To contribute to the solution and become fossil free within one generation, Vattenfall needs to reduce its CO2 emissions and thereby reduce its carbon footprint throughout the entire value chain. To make this happen, we are working determinedly together with customers, suppliers, partners, authorities, and cities.

### Vattenfall requires its suppliers and partners to:

- Actively reduce their greenhouse gas emissions in line with the Paris Agreement’s 1.5-degree scenario, as well as contribute to Vattenfall’s CO2-reduction targets as applicable.
- Make environmental related information and climate related disclosures available when requested

### Examples of good practice

- Set climate targets and follow up, monitor and track the results.
- Review the climate impact of operations, including Scope 1, 2 and 3 emissions, and reduce these emissions accordingly.
- Commitment to a public initiative, such as being listed in the official Science Based Targets registry, CDP, Paris Agreement, or equivalent.
- Participation in an industry collaboration to reduce greenhouse gas emissions.

### Vattenfall expects its suppliers and partners to:

- Address climate change, including climate adaptation, systematically in their operations

### Examples of good practice

- Improve identification and management of supply chain risk(s) related to climate change.
- Include climate change aspects (risks and opportunities) early in decision-making, especially for new investments and asset builds.

**Please read more in Vattenfall’s [CO<sub>2</sub> Roadmap](#)**

## 5. Business integrity

### 5.1. General

At Vattenfall, we adhere to internationally agreed standards on business ethics, and we conduct all our business in compliance with applicable national and international laws and regulations. We are committed to conducting our business in a fair and responsible manner. To do so it is important that our employees have sufficient knowledge about the applicable rules and regulations, as well as Vattenfall's overall approach to integrity, which is why tailor-made trainings, e-learning tools, and Q&As have been developed. It is the responsibility of all Vattenfall employees and managers that we always maintain a high level of integrity in everything we do.

#### **Vattenfall requires its suppliers and partners to:**

- Conduct business in compliance with internationally agreed standards on business ethics.
- Adhere to all applicable anti-corruption laws and regulations.

#### **Examples of good practice**

- Continuously review current and future laws, rules and regulations regarding business ethics in the countries you operate in to understand the impacts on business operations.
- Establish routines, including roles and responsibilities, for reviewing and responding to current and future laws, rules and regulations that concern business ethics.
- Stay up to date with international business standards on business ethics.
- Provide targeted training on business ethics to relevant target groups on a regular basis.

## 5.2. Corruption and financial crime

Vattenfall observes high standards of ethical and business conduct in its operations and is committed to combatting corruption in all its forms. Based on this commitment, as well as our zero tolerance policy against bribes, we have established an integrity organisation and an internal governance framework for integrity issues. Within its scope, the integrity organisation supports Vattenfall in identifying, mitigating, managing and monitoring the risk of non-compliance with laws, regulations, rules, standards and codes of conduct, relevant to its activities.

### **Vattenfall requires its suppliers and partners to:**

- Not engage in or tolerate any form of corruption, bribery, extortion, fraud or embezzlement.
- Not offer or accept any benefits in order to obtain any undue or improper advantage or with the intention to let the receiver act in breach of his or her professional duties.

### **Vattenfall expects its suppliers and partners to:**

- Never tolerate, and to take measures against, any form of money laundering, tax fraud, tax evasion or other illegal financial schemes that may be indicated by the use of tax havens and jurisdictions prone to financial crime.

### **Examples of good practice**

- Ensure no improper benefits are offered or accepted from suppliers and partners. Improper benefits may comprise of cash, non-monetary gifts, pleasure trips or services and amenities of any other nature.
- Implement an anti-corruption policy, guidelines on anti-corruption and bribery, and clear decision-making processes/authorisation rights for invoices, expenses, benefits, etc.
- Implement integrity due diligence of business partners.
- Apply enhanced due diligence for suppliers, products, and countries where there is an increased risk of money laundering or corruption.
- Provide targeted anti-corruption trainings to relevant target groups on a regular basis.

### 5.3. Export control and sanctions

Vattenfall complies with and adheres to all export controls and relevant economic sanctions that impact Vattenfall and its operations.

#### **Vattenfall requires its suppliers and partners to:**

- Comply with applicable laws and regulations regarding export control and export restrictions.
- Comply with relevant economic sanctions.

#### **Examples of good practice**

- Implement processes and procedures through which compliance with export control regulations and economic sanctions are ensured.
- Keep up to date with import and export rules and regulations for relevant markets and implement process through which these are followed.
- Continuously review economic sanction lists.
- Provide targeted trainings on export control and trade sanctions to relevant target groups on a regular basis.

## 5.4. Conflict of interest

At Vattenfall, we expect our employees to act in Vattenfall's best interests and to avoid conflicts of interest that could compromise the employee's credibility within Vattenfall or external parties' confidence in Vattenfall. Therefore, all employees at Vattenfall must avoid investment, involvement, and secondary employment in companies that are customers, suppliers, or other business partners of Vattenfall, which may lead to a conflict of loyalty with Vattenfall. We expect the same of our suppliers and partners.

### **Vattenfall requires its suppliers and partners to:**

- Avoid conflicts of interest that may compromise the supplier's or partner's credibility or third parties' confidence in Vattenfall.

### **Examples of good practice**

- Do not invest in or be involved in a company that is a customer, supplier, or other type of business partner to you, which could present conflicts of interest.
- Ensure that no personal relationship, family or otherwise, is used to influence your employees' business judgements.
- Ensure your employees do not use their position within your company for personal benefit or to benefit close relatives.

## 5.5. Competition law

Effective competition between businesses delivers open, dynamic markets and drives productivity, innovation and value for consumers. EU competition law prohibits anticompetitive agreements between companies and the abuse of dominant power. Vattenfall is committed to and shall only use fair means of competition throughout its business activities. As it is truly beneficial from a business perspective, Vattenfall shall not only comply with the competition rules but also act according to high business standards and expectations from customers and the public.

### **Vattenfall requires its suppliers and partners to:**

- Respect and comply with applicable competition laws and regulations
- Not exchange commercially sensitive and strategic information with competitors
- Not enter into anti-competitive agreements with any business partner.

### **Examples of good practice:**

- Follow applicable competition laws, including EU competition law which prohibits anticompetitive agreements between companies and the abuse of a dominant position.
- Do not engage in any anti-competitive information exchange with any actual or potential competitor.



## 5.6. Protection of intellectual property rights and confidential information

Vattenfall’s intellectual property rights, such as inventions and patents, trademarks, brands, copyrighted works, designs, trade secrets and knowhow, are highly valuable assets and may be key to Vattenfall’s success in the market. Unauthorized access to and/or use or divulgence of Vattenfall’s information may cause great damages to the company.

### **Vattenfall requires its suppliers and partners to:**

- Respect Vattenfall’s intellectual property rights.
- Protect Vattenfall’s information by safeguarding it against misuse, theft, fraud or improper disclosure.

### **Examples of good practice**

- Have formal policies for the protection of classified or otherwise sensitive information.
- Treat information from or relating to Vattenfall with at least the same level of confidentiality as the supplier’s own information.
- Exercise caution when discussing Vattenfall’s information, to avoid being overheard by unauthorized persons.
- Maintain physical and electronic security for all sensitive information.

## 6. Reporting irregularities to Vattenfall - Whistleblowing

If the supplier or partner, its employees, consultants and contractors, or any other stakeholder believe that the terms of the Code of Conduct for Suppliers and Partners (CoCfSP) are not adhered to, or that Vattenfall is not acting in accordance with its own Code of Conduct and Integrity, Vattenfall encourages such concerns to be raised via the whistleblowing channel. See **Whistleblowing**.

### How to report a concern:

1. Vattenfall's web-based Whistleblowing Channel is available 24/7, 365 days a year. The Whistleblowing Channel can be accessed by following this link: **Vattenfall Whistleblowing channel**.  
Reporting through the Whistleblowing Channel may be done anonymously.
2. A concern may also be directly reported to the Group Internal Audit department or any of the Whistleblowing coordinators at Vattenfall either by e-mail or phone (see the contact details below).
3. As a complement to the above two reporting lines, a whistleblowing report could also be made to one of Vattenfall's external ombudspersons. The ombudspersons are experienced lawyers independent from the Vattenfall Group. They shall act in accordance with professional discretion. Also such a report could be made anonymously in relation to Vattenfall.

### What can be reported?

Examples of serious violations that could be rep

- Bribery and corruption
- Breaches of human rights
- Conflict of interest
- Fraud
- Improper use of inside information
- Theft and embezzlement
- Unfair competition practices

## 7. Glossary

### **Basic minimum age (child labour)**

This should not be below the age for finishing compulsory schooling, and in any case not less than 15 years.

### **Bribery**

The receipt of, accepting a promise of, or requesting an undue advantage. The giving of, promising, or offering an undue advantage.

### **Child labour**

Consists of all children in the age group 5 to 12 who are in economic activity. Additionally, it includes all work that deprives children of their childhood, their potential, and their dignity, and that is harmful to physical and mental development. It refers to work that:

- Is mentally, physically, socially or morally dangerous and harmful to children
- Interferes with children’s schooling, by;
- Depriving them of the opportunity to attend school;
- Obliging them to leave school prematurely; or
- Requiring them to attempt to combine school attendance with excessively long and heavy work.

### **Collective bargaining**

A process through which employers, trade unions, and employees can establish fair working conditions and wages. Bargaining can occur on topics such as wages, working time, H&S, and rights and responsibilities.

### **Conflict-affected and high-risk areas**

Areas identified by the presence of armed conflict, widespread violence or other risks of harm to people

### **Conflict minerals**

These are minerals mined in an area of armed conflict and traded illicitly to finance the conflict.

### **Corruption**

The abuse of entrusted power for private gain, exercised through for example bribery, extortion, fraud, deception, falsification, etc.

### **Critical minerals for the energy transition**

Mineral resources that are essential to the energy transition, may have no viable substitutes, and may face potential disruption in supply.

### **Discrimination**

When an individual or group of individuals are treated unfavourably, or when a person’s dignity is violated. Discrimination can be related to one or more of the following: sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation, and age. This can occur through for instance direct/indirect discrimination, inadequate accessibility, and harassment.

### **Due Diligence**

The process of risk and compliance check carried out by companies to avoid causing or contributing to adverse impacts on people, the environment and society, and to seek to prevent adverse impacts directly linked to operations, products or services through business relationships.

**EMAS**

The EU ECO-Management and Audit Scheme (EMAS).

**Forced labour**

All work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.

**FPIC**

Free, Prior, and Informed Consent is an internationally accepted standard and right based on concerned groups having the right to be consulted and giving, or refraining from giving, approval of activities that affect their access to land and natural resources.

**Freedom of association**

The right of workers and employers to form and join organisations and unions of their own choosing, and of their own free will.

**Hazardous work**

Any work that poses an unreasonable risk to the health and safety of an employee.

**Hazardous child labour**

The work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

**High risk minerals**

These covers conflict minerals, and critical minerals for the energy transition including rare earth elements (REE).

**Indirect suppliers**

This is any company that is not a direct supplier and whose supplies are necessary for the manufacture of the company's product or for the provision and use of the relevant service. This can include Tier 2 suppliers, sub-suppliers and beyond.

**ISO140001**

An international standard in the ISO 14000 series for establishing environmental management systems.

**Light work**

Children between the ages of 13 and 15 years old may do light work, as long as it does not threaten their health and safety, or hinder their education or vocational orientation and training.

**Management Systems**

A management system is the way in which an organization manages the interrelated parts of its business in order to achieve its objectives. These objectives can relate to a number of different topics, including product or service quality, operational efficiency, environmental performance, health and safety in the workplace and many more.

**Partners**

This includes but is not limited to consortium partners, joint venture partners, etc. For the avoidance of doubt customers and employees of Vattenfall are excluded from this scope.

**Supplier**

Any undertaking that provides a product, part of a product, or service to Vattenfall either directly or indirectly, in the context of a business relationship. These are also referred as direct suppliers or Tier 1 suppliers.

**Value chain**

A value chain refers to the full lifecycle of a product or process, including material sourcing, production, consumption and disposal/recycling processes. The chain identifies each step in the process at which value is added which includes entities with which the company has a direct or indirect business relationship, upstream and downstream.

**Vattenfall**

This includes all companies within the Vattenfall Group.

**Working hours**

The scheduled hours of work that an employee is expected to work, all of which are paid. This does not include overtime hours.

**Young workers**

Those workers within the age group of 15 to 24 years. This group includes, but is not limited to, adolescents between the ages of 15 to 18 years who are defined as no longer full-time education.

## References

In preparing the Code and this Guide, the following references were consulted:

1. 1948 Universal Declaration of Human Rights (UDHR)  
<https://www.un.org/en/about-us/universal-declaration-of-human-rights>
2. 2030 Agenda for Sustainable Development  
<https://sustainabledevelopment.un.org/post2015/transformingourworld/publication>
3. Children’s Rights and Business Principles  
<https://www2.ohchr.org/english/bodies/crc/docs/AdvanceVersions/CRC-C-GC-12.pdf>
4. Critical Minerals for the Energy Transition [Critical Materials For The Energy Transition \(irena.org\)](https://www.irena.org/Newsroom/Press-releases/2019/04/2019-04-10-critical-materials-for-the-energy-transition)
5. Dutch Child Labor Due Diligence Act  
<https://zoek.officielebekendmakinge.nl/stb-2019-401.html>
6. Diskrimineringsombudsmannen  
<https://www.do.se/choose-language/english/what-is-discrimination>
7. EU Conflict Minerals Regulation  
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2017:130:FULL&from=EN>
8. EU-OSHA website which defines young workers [Young workers - OSHwiki | European Agency for Safety and Health at Work \(europa.eu\)](https://www.osha.europa.eu/en/young-workers)
9. Free Prior and Informed Consent –An Indigenous Peoples’ right and a good practice for local communities –FAO  
[www.fao.org/3/a-i6190e.pdf](https://www.fao.org/3/a-i6190e.pdf)
10. German Act on Corporate Due Diligence in Supply Chains  
[https://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger\\_BGBL&iumpTo=bgbl121s2959.pdf#\\_bgbl\\_%2F%2F%5B%40attr\\_id%3D%27bgbl121s2959.pdf%27%5D\\_1630594548925](https://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBL&iumpTo=bgbl121s2959.pdf#_bgbl_%2F%2F%5B%40attr_id%3D%27bgbl121s2959.pdf%27%5D_1630594548925)
11. International Labour Organization, specifically the documents listed below: <http://www.ilo.org>
  - Declaration on Fundamental Principles and Rights at Work from 1998
  - Decent Work Indicators - Guidelines for Producers and Users of Statistical and Legal Framework Indicators
  - Forced Labour Convention (C.29-1930)
  - Abolition of Forced Labour Convention (C.105-1957)
  - Minimum Age Convention (C.138-1973)
  - Prohibition and Immediate Elimination of the Worst Forms of Child Labour Convention (C.182-1999)
  - Equal Remuneration Convention (C.100-1951)
  - Discrimination (Employment and Occupation) Convention (C.111-1958)
  - Freedom of Association and Protection of the Right to Organise Convention (C. 87-1948)

- Right to Organise and Collective Bargaining Convention (C. 98-1949)
  - Guidelines on Occupational Safety and Health (ILO-OSH-200)
12. International Organization for Standardization, specifically the standards listed below:
    - ISO14001:2015  
<http://www.iso.org/iso/iso14000>
    - ISO 26000:2010 Guidance on Social Responsibility  
<https://www.iso.org/iso-26000-social-responsibility.html>
    - ISO45001:2018 Occupational health and safety management systems  
<https://www.iso.org/standard/63787.html> (replaced OHSAS 18001)
  13. Minerals for Climate Action; The Mineral Intensity of the Clean Energy Transition; World Bank, 2020  
[Minerals-for-Climate-Action-The-Mineral-Intensity-of-the-Clean-Energy-Transition.pdf](https://www.worldbank.org/Minerals-for-Climate-Action-The-Mineral-Intensity-of-the-Clean-Energy-Transition.pdf) ([worldbank.org](https://www.worldbank.org))
  14. OECD Due Diligence Guidance for Responsible Business Conduct  
<http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>
  15. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas  
<http://www.oecd.org/daf/inv/mne/GuidanceEdition2.pdf>
  16. OECD Guidelines for Multinational Enterprises  
<https://www.oecd.org/investment/mne/48004323.pdf>
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