

# **Code of Conduct for Suppliers and Partners**

**September 2024**



**VATTENFALL**

## 1 Introduction

At Vattenfall, sustainability is the business. We are committed to enabling the fossil freedom that drives society forward, where everyone can choose fossil-free ways to move, make, and live.

This includes a commitment to responsible business practices throughout our *value chain*\* and the promotion of sustainability in and beyond our corporate boundaries. By setting environmental, social, and governance requirements for our suppliers and partners, we contribute to society whilst gaining long-term competitive advantages.

Our approach is grounded in this document, Vattenfall's Code of Conduct for Suppliers and Partners (hereafter referred to as the "Code"), which defines our requirements and expectations to safeguard that our suppliers and partners share the same values we do throughout the value chain. The scope of our Code is broad as we aim to drive positive change across our full value chain. The Code is based on the UN Global Compact, the UN Guiding Principles, and the OECD Guidelines, among other standards, and is guided by the Sustainable Development Goals (See 'References' for a full list).

We actively collaborate and conduct open dialogues with our suppliers and partners. By doing so, we strive to spread good practices throughout the value chain, strengthen relationships with our suppliers and partners, and where needed, improve their sustainability performance. As part of our sustainability work, we focus on environmental, social, and governance aspects, for which we have a wide variety of programs, roadmaps, and targets in place.

We welcome you in our efforts to have a positive impact on people, the environment, and the society that surrounds us.

"Vattenfall's business strategy is clear. We want to enable the fossil freedom that drives society forward.

By collaborating with our suppliers and business partners, we can fulfil our promises in a responsible way."

**Anna Borg, CEO Vattenfall**



\*Throughout this document, words *in italics* are further described in the glossary at the end of this document. An explanation for both requirements and expectations can also be found at the end of this document.

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

### 2.1 General

Living our values and always acting with integrity make us trustworthy, 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.

When conducting business with *Vattenfall*, suppliers and partners shall comply with the Code or an equivalent standard, agreed together with Vattenfall.

### 2.2 Compliance with laws and regulations

Suppliers and partners shall comply with applicable laws, rules and regulations in the countries where they operate.

In case of contradictions or discrepancies between the Code and applicable laws, rules, and regulations, suppliers and partners should meet the most stringent requirements.

Suppliers and partners should inform Vattenfall if there are such discrepancies.

### 2.3 Commitment to continuous improvement

Vattenfall recognizes that suppliers and partners will be at different stages of maturity and commits to working together with suppliers and partners 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. The supplier or partner should then promptly take corrective actions and commit to showing progress.

Vattenfall also encourages suppliers and partners to participate in initiatives aiming to raise the standard of an entire sector or across sectors, where applicable.

### 2.4 Consequences in case of violations

Suppliers and partners shall address any violations of the Code or equivalent standards that come to their knowledge and take appropriate actions. Vattenfall will seek appropriate remedial measures to cease, prevent, or mitigate the violation. A major or 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' or partners' activities with Vattenfall.

### 2.5 Due diligence and transparency

Suppliers and partners shall proportionally to their size, impact, resource availability, business activities and leverage, conduct adequate sustainability risk-based due diligence, in their own operations and *supply chain*. This includes identifying and assessing risks and impacts related to human and labour rights, environment and business ethics, and implementing appropriate prevention, mitigation, and remediation measures.

Suppliers and partners should disclose matters related to their due diligence processes and results in a timely and accurate fashion to Vattenfall upon request.

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

### 2.6 Management systems and monitoring

Suppliers and partners shall proportionally to their size, impact, resource availability and business activities, have adequate management systems, controls, or equivalent in place to ensure compliance with the Code or agreed equivalent standards.

Suppliers and partners should secure and monitor that their own suppliers and *sub-suppliers* comply with the Code or, where applicable, their own equivalent code of conduct.





### 3 Human rights and labour rights

#### 3.1 General

Suppliers and partners shall respect all internationally recognised human rights, as set out in the International Bill of Human Rights.

This Code shall apply to all the suppliers' and partners' workers. All requirements and expectations included in this Code shall be enforced equally to all types of workers.

Suppliers and partners shall take measures to avoid causing, contributing or being linked to negative human rights impacts. This includes all types of rightsholders, such as workers, affected communities, and human rights defenders.

#### 3.2 Indigenous Peoples

Suppliers and partners shall 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.

Suppliers and partners are encouraged 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.

#### 3.3 Community engagement and development

Suppliers and partners shall respect the rights, interests, and development aspirations of affected communities and vulnerable groups during normal operations, as well as during significant changes in their operations. Community engagement should be carried out in an inclusive, equitable, culturally appropriate, gender-sensitive, and rights-compatible manner.

Suppliers and partners shall engage in transparent, open, and honest dialogue and collaborate with stakeholders and authorities in and around the area in which they operate.

#### 3.4 Child labour and young workers

Suppliers and partners shall work against all forms of *child labour*. Suppliers and partners shall not participate in, or benefit from, any form of child labour. If child labour is detected, a remediation programme shall be put in place.

Suppliers and partners shall not employ children below the minimum age of employment or the age for completing compulsory education in that country, whichever is higher. Suppliers and partners shall not employ any workers under the age of 18 to perform any work that is defined in national law as hazardous.

#### 3.5 Use of security personnel

Suppliers and partners shall 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.

#### 3.6 Modern slavery and forced labour

All forms of modern slavery are unacceptable to Vattenfall.

Suppliers and partners shall not participate in, or benefit from any form of forced labour, including bonded labour, involuntary prison labour, slavery, human trafficking, servitude or work performed under the menace of a penalty or coercion.

All workers shall have the right to enter into and terminate their employment freely, and work shall be conducted on a voluntary basis.

Suppliers and partners shall not retain workers' identity documents or take actions that would unduly limit their freedom of movement, whether within the suppliers' and partners' premises or beyond.

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

Suppliers and partners shall assess whether their own operations, or supply chains, are located in *conflict-affected or other high-risk areas* and in such

cases adopt enhanced due diligence measures suited to the specific context.

Suppliers and partners shall take necessary steps 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's suppliers and partners should not interfere with the lawful actions of *human rights and environmental defenders* or in their rights to freedom of expression, association or peaceful assembly. Suppliers and partners should not engage in any activities that seek to undermine civil society and civic freedoms.

### 3.8 High-risk minerals

Suppliers and partners shall take appropriate steps to identify the use of *high-risk minerals* in their supply chain and establish traceability or chain of custody to its source or processing location. They shall also take appropriate steps to ensure that risks are identified, and appropriate prevention, mitigation and remedial measures are implemented throughout the supply chain.

Suppliers and partners should share relevant information on the origin of high-risk minerals and any relevant assessments upon request. Suppliers and partners should publicly disclose their due diligence efforts.

Suppliers and partners are encouraged to replace or reduce the use of high-risk minerals in their supply chains where possible.

### 3.9 Hours of work

Suppliers and partners shall 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 shall not cause any physical or mental harm.

Workers, without distinction, who are unable or refuse to do overtime shall not be punished or retaliated against by the suppliers and partners including through dismissal threats, wage reductions, and abuse.

### 3.10 Wages, leave and benefits

Suppliers and partners shall pay a fair and equal wage to all workers, including benefits and leave, that meets basic needs in compliance with applicable laws and/or relevant collective agreements. Correspondingly, workers shall be compensated

for overtime at pay rates greater than regular hourly rates. Suppliers and partners are encouraged to pay a *living wage* to their workers.

Suppliers and partners shall also aim to identify, prevent, mitigate and remedy structural differences in pay and benefits for equal or comparable work regardless of personal identity, including gender.

Any work performed should be on the basis of recognised employment relationships established through national laws and practice.

### 3.11 Health and Safety

Suppliers and partners shall provide a safe and healthy environment, free from physical abuse or discipline, the threat of physical abuse, sexual or other harassment, and verbal abuse or other forms of intimidation, across all locations where work is undertaken and when the supplier or partner is providing housing facilities to its personnel.

All work shall be preceded by and based on documented adequate risk management with implemented controls. This shall include physical, social and organisational health risks.

Workers should receive regular, recorded and relevant health and safety training, and such training should also be provided to new or reassigned workers.

Risks shall be reduced according to the hierarchy of control principles: elimination, substitution, engineering controls, administrative controls, and as a last alternative, personal protective equipment. Suppliers and partners should measure, monitor, document, and follow up on all health and safety incidents and hazards.

### 3.12 Freedom of association and collective bargaining

Suppliers and partners shall recognise and respect the rights of all employees, without distinction, to freely associate, organise and bargain collectively, if the rightsholders so wish.

In situations where the right to freedom of association and collective bargaining is restricted by applicable laws and regulations, suppliers and partners should allow for and not hinder alternative and independent forms of worker representation.

### 3.13 Diversity, equity, and discrimination

Suppliers and partners shall promote diversity, equity, and inclusion, and not practice any form of discrimination in hiring, promotion, access to training, development, remuneration, and termination or

retirement practices. Discrimination includes but is not limited to gender identity, sexual orientation, race, colour, age, language, property, nationality or national origin, religion, ethnic or social origin, caste, economic grounds, marital status, health status, seen and unseen disability, pregnancy, family status, belonging to an Indigenous People, trade union affiliation, political opinion, and any other personal identity.

Suppliers and partners shall have routines for dealing with harassment, including physical, psychological, verbal, and sexual discrimination, and communicate that any form of harassment or abuse is unacceptable and must be reported.

### **3.14 Grievance channels and remediation mechanisms**

Suppliers and partners should 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. Suppliers and partners should have a remediation process in place through which reported human rights violations, as well as other topics outlined in this Code, can be appropriately remediated and followed up on.



## 4 Environmental sustainability

### 4.1 General

Suppliers and partners shall proactively and responsibly manage their operations in relation to the environment. A precautionary approach to reducing environmental risks and adverse impacts should be adopted across suppliers' and partners' supply chains.

### 4.2 Environmental legislation

Suppliers and partners shall conduct their business in compliance with internationally agreed environmental standards and adhere to all applicable environmental laws and regulations.

Suppliers and partners shall obtain and maintain necessary environmental permits and licenses, and comply with the requirements of such permits and licenses.

### 4.3 Environmental management system

Suppliers and partners whose activities have a potential significant negative environmental impact - as a standalone impact or as a cumulative impact - shall have a structured and systematic approach to assessing, documenting and minimising such potential negative impacts. This includes having an established, suitable management system for improving environmental performance, setting targets, and performing follow-ups.

### 4.4 Environmental protection

Suppliers and partners shall avoid, minimise, or mitigate waste and emissions resulting from their business activities. Resources such as energy, water, land and raw materials should be used in an efficient, circular and sustainable manner. Suppliers and partners should cease, avoid, prevent, and minimise potential adverse impacts on the environment and ecosystems caused as a result of their operations. Where negative environmental impacts cannot fully be ceased, avoided, prevented or minimised, compensation and restoration measures should be implemented where appropriate.

Suppliers and partners are encouraged to conduct business activities which promote positive impact on biodiversity, ecosystems, and the environment.

Suppliers and partners should ensure that their activities do not directly or indirectly infringe on local communities' access to clean drinking water, clean air, and good soil quality for farming.

In addition, suppliers and partners shall manage hazardous substances responsibly in their operations, and wherever possible shall substitute hazardous substances with less hazardous alternatives.

Suppliers and partners are encouraged to develop and use *Best Available Technologies*, with the aim of reducing potential adverse environmental impacts as much as possible.

### 4.5 Climate impact

Suppliers and partners should address climate change systematically in their operations. This includes actively identifying, managing, and reducing their direct *greenhouse gas emissions (scope 1 and 2)*. Suppliers and partners are encouraged to apply a similar management approach for their indirect emissions (*scope 3*), such as, but not limited to, purchased materials, transport-related activities, and waste disposal. Suppliers and partners should additionally implement climate adaptation activities where applicable.

Suppliers and partners are encouraged to develop and continuously track progress towards their greenhouse gas emission reduction targets, preferably in line with the Paris Agreement's 1.5-degree scenario and covering all material emission sources.

### 4.6 Environmental performance

Suppliers and partners are encouraged to transparently disclose environmental impacts associated with their operations to Vattenfall including, but not limited to, their scope 1, 2 and 3 greenhouse gas sources and emissions; climate change adaptation and mitigation; resources and water use; and pollution.





## 5 Business integrity

### 5.1 General

Suppliers and partners shall conduct business in compliance with internationally agreed standards on *business ethics* and adhere to applicable *business integrity* laws and regulations.

### 5.2 Corruption and financial crime

Suppliers and partners shall not engage in or tolerate any form of corruption, bribery, extortion, fraud or embezzlement. Suppliers and partners shall not offer nor 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. Such improper benefits may comprise cash, non-monetary gifts, pleasure trips or services and amenities of any other nature.

Suppliers and partners should take measures against and never tolerate 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.

### 5.3 Export control and sanctions

Suppliers and partners shall comply with applicable laws and regulations regarding export control and export restrictions, as well as relevant economic sanctions.

### 5.4 Conflict of interest

Suppliers and partners shall avoid conflicts of interest that may compromise the supplier's or partner's credibility or third parties' confidence in Vattenfall.

### 5.5 Competition law

Suppliers and partners shall respect and comply with applicable competition laws and regulations, including an obligation not to exchange commercially sensitive and strategic information with competitors or to enter into anti-competitive agreements with any business partner.

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

Suppliers and partners shall respect Vattenfall's intellectual property rights and protect Vattenfall's information by safeguarding it against misuse, theft, fraud or improper disclosure. This includes patents, trademarks, copyright, and trade secrets.

## 6 Reporting irregularities to Vattenfall - Whistleblowing

If the supplier or partner, its employees, consultants and contractors, local communities, or any other stakeholder believes that the terms of the Code 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 <https://corporate.vattenfall.com/about-vattenfall/corporate-governance/internal-governance/integrity/whistleblowing>



## References

In preparing the Code 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 Corporate Sustainability Due Diligence Directive: [https://www.europarl.europa.eu/doceo/document/TA-9-2023-0209\\_EN.pdf](https://www.europarl.europa.eu/doceo/document/TA-9-2023-0209_EN.pdf)
- 5 Corporate Sustainability Reporting Directive <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022L2464>
- 6 ETI Base Code <https://www.ethical-trade.org/eti-base-code>
- 7 EU Conflict Minerals Regulation <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2017:130:FULL&from=EN>
- 8 Free, prior and informed consent: a human rights-based approach. Study of the Expert Mechanism on the Rights of Indigenous Peoples <https://documents-dds-ny.un.org/doc/UN-DOC/GEN/G18/245/94/PDF/G1824594.pdf?OpenElement>
- 9 German Act on Corporate Due Diligence in Supply Chains [https://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger\\_BGBl&jumpTo=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&jumpTo=bgbl121s2959.pdf#_bgbl_%2F%2F%5B%40attr_id%3D%27bgbl121s2959.pdf%27%5D_1630594548925)
- 10 Greenhouse Gas Protocol <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>
- 11 Green Hydrogen Cost Reduction, IRENA, 2021 [https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2020/Dec/IRENA\\_Green\\_hydrogen\\_cost\\_2020.pdf](https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2020/Dec/IRENA_Green_hydrogen_cost_2020.pdf)
- 12 International Labour Organization, specifically the documents listed below: <https://www.ilo.org/>
  - Abolition of Forced Labour Convention (C.105-1957)
  - Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and amended in 2022
  - Discrimination (Employment and Occupation) Convention (C.111-1958)
  - Equal Remuneration Convention (C.100-1951)
  - Forced Labour Convention (C.29-1930)
  - Freedom of Association and Protection of the Right to Organise Convention (C. 87-1948)
  - Guidelines on Occupational Safety and Health (ILO-OSH-200)
  - Minimum Age Convention (C.138-1973)
  - Right to Organise and Collective Bargaining Convention (C. 98-1949)
  - Violence and Harassment Convention [C.190].
  - Worst Forms of Child Labour Convention (C.182-1999)
- 13 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>
  - ISO 45001:2018 Occupational health and safety management systems <https://www.iso.org/standard/63787.html> (replaced OHSAS 18001)
- 14 International Energy Agency (IEA) "The role of minerals for the energy transition - Mineral requirements for clean energy transitions" - <https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions/mineral-requirements-for-clean-energy-transitions>
- 15 International Renewable Energy Agency (IRENA) "Critical Materials For The Energy Transition" - <https://www.irena.org/Technical-Papers/Critical-Materials-For-The-Energy-Transition>
- 16 Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act) <https://lovdata.no/dokument/NLE/lov/2021-06-18-99>
- 17 OECD Due Diligence Guidance for Responsible Business Conduct <https://mneguide-lines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>
- 18 OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-

- Affected and High-Risk Areas [https://www.oecd.org/en/publications/2016/04/oecd-due-diligence-guidance-for-responsible-supply-chains-of-minerals-from-conflict-affected-and-high-risk-areas\\_g1g65996.html](https://www.oecd.org/en/publications/2016/04/oecd-due-diligence-guidance-for-responsible-supply-chains-of-minerals-from-conflict-affected-and-high-risk-areas_g1g65996.html)
- 19 OECD Guidelines for Multinational Enterprises <https://mneguidelines.oecd.org/mneguidelines/>
  - 20 Responsible Minerals Sourcing for the Renewable Energy, Sustainable Futures Institute, 2019 [https://earthworks.org/assets/uploads/2019/04/MCEC\\_UTS\\_Report\\_lowres-1.pdf](https://earthworks.org/assets/uploads/2019/04/MCEC_UTS_Report_lowres-1.pdf)
  - 21 Social Accountability 8000 [www.sa-intl.org/](http://www.sa-intl.org/)
  - 22 The Critical Raw Materials Act [https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/critical-raw-materials/critical-raw-materials-act\\_en](https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/critical-raw-materials/critical-raw-materials-act_en)
  - 23 The Role of Critical Minerals in the Clean Energy Transitions, International Energy Agency, 2021 <https://iea.blob.core.windows.net/assets/278ae0c8-28b8-402b-b9ab-6e45463c273f/TheRoleofCriticalMineralsinCleanEnergyTransitions.pdf>
  - 24 UK Modern Slavery Act [https://www.legislation.gov.uk/ukpga/2015/30/pdfs/ukpga\\_20150030\\_en.pdf](https://www.legislation.gov.uk/ukpga/2015/30/pdfs/ukpga_20150030_en.pdf)
  - 25 UN Declaration on the Rights of Indigenous Peoples <https://www.ohchr.org/en/indigenous-peoples/un-declaration-rights-indigenous-peoples>
  - 26 UN Global Compact <https://unglobalcompact.org/>
  - 27 UN Guiding Principles on Business and Human Rights [https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf)
  - 28 UN National Human Rights Action plans <https://www.ohchr.org/en/documents/tools-and-resources/guidance-national-action-plans>
  - 29 UN Sustainable Development Goals <http://www.un.org/sustainabledevelopment/>
  - 30 United Nations Convention against Corruption <https://www.unodc.org/unodc/en/treaties/CAC/index.html>
  - 31 Vattenfall Code of Conduct and Integrity <https://group.vattenfall.com/about-us/corporate-governance/internal-governance/integrity>
  - 32 Vattenfall Human Rights Policy <https://group.vattenfall.com/sustainability/social-responsibility/human-rights>
  - 33 Voluntary Principles of Business and Human Rights [www.voluntaryprinciples.org](http://www.voluntaryprinciples.org)
  - 34 World Bank report "Minerals for Climate Action – The Mineral Intensity of the Clean Energy Transformation" – <https://pub-docs.worldbank.org/en/961711588875536384/Minerals-for-Climate-Action-The-Mineral-Intensity-of-the-Clean-Energy-Transition.pdf>

## Explanation about the different requirement levels

Requirement level	Keyword	Explanation
<b>Hard requirement</b>	Shall	Standards and requirements that suppliers and partners must abide by. The “Shall” requirements are connected to internationally recognized laws, regulations, and frameworks.
<b>Soft requirement</b>	Should	Standards that suppliers and partners are strongly expected to adhere to, but that are not a hard requirement. The “Should” requirements are connected to international standards and expectations on companies, as well as to upcoming laws and regulations that will likely become hard requirements in the near future.
<b>Soft requirement</b>	Encourage	Standards that suppliers and partners are encouraged to follow. The “Encourage” expectations are not hard requirements, but are related to good practices which for instance have not yet been translated into international standards and laws.

## Glossary

### **Best Available Technologies**

Best Available Technologies (BAT) are “state of the art”, advanced and proven techniques for the prevention and control of industrial emissions and the wider environmental impact caused by industrial installations. These are developed at scale and implemented where economically and technically viable.

### **Business ethics**

Business ethics are principles that guide decision-making. These are standards and norms that govern the actions and behaviour of an individual in the business organization, based on what is widely considered ethical or unethical in a business context.

### **Business integrity**

As outlined by the OECD, business integrity refers to ensuring a more ethical and accountable business landscape by implementing robust internal control, ethics and anticorruption measures, as well as corporate governance frameworks, due diligence practices and fair and open competition when interacting with companies and governments, both domestically and internationally.

### **Child labour**

Any kind of activity or work which is harmful to the intellectual, physical, social and moral development of persons under 18 and undermines their education by, preventing them from going to school, constraining them to abandon schooling too soon or requiring them to work and study at the same time.

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

As outlined by the OECD, conflict-affected and high-risk areas are identified by the presence of armed conflict,

widespread violence, or other risks of serious and widespread harm to people. Armed conflict may take a variety of forms, such as a conflict of international character, which may involve two or more States, or may consist of wars of liberation, or insurgencies, civil wars. High-risk areas are those where there is a high risk of conflict or of widespread or serious abuses. Such areas are often characterized by political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure, widespread violence and violations of national or international law.

***Greenhouse gas emissions***

As outlined by the UNFCCC, greenhouse gases consist of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>).

***High risk minerals***

High risk minerals are critical minerals for the energy transition, these include:

Conflict minerals, which are mined in areas affected by armed conflict and human rights abuses.

Critical minerals for the energy transition which are aluminium, chromium, cobalt, copper, graphite, indium, iron, lead, lithium, manganese, molybdenum, nickel, phosphorus, silver, titanium, vanadium, zinc.

Rare earth elements (REEs) are minerals that are difficult to extract and are mainly used in energy-efficient and sustainable energy technologies.

Platinum group metals (PGMs) are a family of six elements that are valued for their wide range of industrial, medical, and electronic applications.

***Human rights and environmental defenders***

These are people who, individually or with others, act to promote, protect, or strive for the protection and realisation of human rights, environmental rights, and fundamental freedoms. They may be community leaders, Indigenous Peoples, trade union representatives, lawyers, journalists or people working for non-governmental organisations (NGOs) or intergovernmental organisations. This definition does not include those individuals or groups who commit or propagate violence.

***Living wage***

The level of remuneration received by the worker that allows the worker and their family to afford a decent standard of living.



<b>Partners</b>	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.
<b>Scope 1 emission</b>	Includes direct greenhouse gas emissions.
<b>Scope 2 emission</b>	Includes indirect emissions pertaining to energy use.
<b>Scope 3 emission</b>	Includes value chain emissions.
<b>Sub-suppliers</b>	Also called indirect suppliers. This is any company that is not a direct supplier and whose supplies are necessary for the manufacture of the direct supplier's product or for the provision and use of the relevant service. This can include Tier 2 suppliers, and beyond.
<b>Supplier</b>	Any undertaking that provides goods and/or services to Vattenfall either directly or indirectly, in the context of a business relationship. These are also referred to as direct suppliers or Tier 1 suppliers.
<b>Supply chain</b>	A network of organizations, people and resources involved in the creation and delivery of a product or service to a customer.
<b>Traceability assessments</b>	Refers to the methodical confirmation of the origin, journey, and related practices involved in the creation of products and their parts, from the beginning stages of the supply chain to their final use. These assessments are a way to verify and support sustainability claims about commodities and products, with the aim of ensuring that ethical and environmentally respectful practices are maintained throughout the whole supply chain.
<b>Value chain</b>	All activities, operations, business relationships and investment chains of an undertaking, including entities with which the company has a direct or indirect business relationship, upstream and downstream.
<b>Vattenfall</b>	"Vattenfall" is as an abbreviation for the Vattenfall Group which encompasses Vattenfall AB, its fully owned subsidiaries and other companies directly or indirectly controlled by Vattenfall AB (e.g. via ownership, by control agreement or other management control).