

Gasunie Supplier Code of Conduct



gasunie
crossing borders in energy

Management Statement

“Gasunie is a leading European gas infrastructure company. Our goal as such is to deliver optimal performance and serve the interests of our customers both at home and abroad, our shareholder (the State of the Netherlands), our employees and the society in which we operate.

Maintaining our good reputation is a vital part of achieving our strategic goals. Guided by our core values, it is our responsibility to ensure that our services are delivered in a value chain compliant with international standards such as ISO 20400 and ISO 26000. In cooperation with suppliers and partners we behave in a professional and conscientious way, with integrity. We look for partners who share our values and who maintain similar standards.

Our expectations regarding labour, health and safety, the environment and business ethics are summarised in the Gasunie Supplier Code of Conduct (GSCoC). The GSCoC is based on the Electronic Industry Code of Conduct (EICC). Where this GSCoC cites legislation, it refers to EU laws and relevant national legislation.

We expect that all of the companies we do business with and their suppliers comply with the standards given in the GSCoC. We therefore explicitly ask our direct suppliers to please ensure that their suppliers are compliant with the Gasunie Supplier Code of Conduct as well. Where local regulations or laws are stricter than the GSCoC these shall, of course, prevail over this GSCoC.

Together, we will work towards achieving a successful valuechain, both now and in the future. The GSCoC will help us in that endeavour. Please note that compliance with the GSCoC is regarded an essential prerequisite for business relations with Gasunie.



I.M. Oudejans
CFO and member of the Executive Board
October 2016

A. Labour

Every participant in the Supply Chain for Gasunie should be aware of differences in cultural values. Values we share are professionalism, accuracy, integrity and respect. We are therefore committed to uphold the human rights of workers and treat them with dignity and respect as commonly expected within the international community.

The labour standards are:

1. Freely Chosen Employment

Forced, bonded or indentured labour or involuntary prison labour shall not be used. All work will be voluntary and workers shall be free to leave upon reasonable notice.

2. Young Workers

Child labour is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 shall not perform work that is likely to jeopardise the health or safety of young workers.

3. Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased worker turnover and increased injury and illness. Working weeks are not to exceed the maximum set by local law. Furthermore, a working week shall not exceed 60 hours, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off per 7-day week.

4. Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be paid for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. The basis on which workers are being paid is to be provided in a timely manner via pay slips or similar documentation.

5. Humane Treatment

Disciplinary policies and procedures shall be clearly defined and communicated to workers. There is to be no harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers: nor is there to be the threat of any such treatment.

6. Non-Discrimination

Participants should be committed to a workforce free of harassment and unlawful discrimination. Companies shall not engage in discrimination based on race, colour, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status when recruiting and employment practices such as promotions, rewards and access to training. In addition, workers or potential workers should not be subjected to medical tests that could be used in a discriminatory way.

7. Freedom of Association

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. Participants are to respect the rights of workers to associate freely, join or not join labour unions, seek representation and join workers'

councils in accordance with local laws. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

B. Health and Safety

Safety, personal health and environment are high priorities for Gasunie. Everyone in our supply chain must comply with strict safety standards (provided per order) and must work as safely as possible while doing so. Unsafe situations will not be tolerated. A safe and healthy working environment enhances the quality of products and services, consistency of production and worker retention and morale. The health and safety standards are:

1. Occupational Safety

Worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles and fall hazards) is to be controlled through proper design, engineering and administrative controls, preventive maintenance and safe working procedures (including lockout/tag out), and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal safety equipment. Workers shall not be disciplined for raising safety concerns.

2. Emergency Preparedness

Emergency situations and events are to be identified and assessed, and their impact minimised by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire-detection and fire-fighting equipment, adequate escape facilities and recovery plans.

3. Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to:

- A. encourage worker reporting;
- B. classify and record injury and illness cases;
- C. provide necessary medical treatment;
- D. investigate cases and implement corrective actions to eliminate their causes; and
- E. facilitate return of workers to work.

6. Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal safety equipment programs.

7. Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

8. Machine Safeguarding

Production and other machinery are to be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

9. Sanitation, Food and Housing

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage and eating facilities. Worker dormitories are to be kept clean, safe and provided with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges

10. Smoking, drugs and alcohol

Smoking on Gasunie premises is only permitted in designated areas. Drugs and alcohol usage or being under influence of either on Gasunie premises is strictly forbidden. Everyone in the Supply Chain is to discourage smoking and the use of alcohol as much as possible, within the limits of local legislation.

C. Environmental

Gasunie executes all of its activities in an environmentally-responsible way. Our energy consumption is efficient and we limit the emission of harmful substances. We reduce the amount of waste and encourage recycling. We contribute to the transition to a sustainable energy supply. Our system can play an important role in a smart integration with other sources of energy, thus enabling an affordable energy system. We strive to offer our competences to develop non-gas infrastructure solutions like heating grids. Also, we aim to realize projects that increase the production of renewable gas. Everyone in the Supply Chain should recognise that environmental responsibility is integral to producing world-class products. In manufacturing operations, adverse effects on the community, the environment and the natural resources are to be minimised, whilst safeguarding the health and safety of the public.

The environmental standards are:

1. Environmental Permits and Reporting

All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

2. Pollution Prevention and Resource Reduction

Waste of all types, including water and energy, are to be reduced or eliminated at source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

3. Hazardous Substances

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal

4. Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be classified, monitored, controlled and treated as required prior to discharge or disposal.

5. Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals and combustion by-products generated from operations are to be classified, monitored, controlled and treated as required prior to discharge.

6. Product Content Restrictions

Participants are to adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances, including labelling for recycling and disposal.

D. Ethics and compliance

We abide by the prevailing statutory provisions. Our good reputation as a reliable and honest company is of immeasurable value to our company. We expect everyone within the Supply Chain to behave with integrity and to stay within the confines of the authority invested in them. We comply with EU and national competition rules in the performance of our work. To meet social responsibilities and to achieve success in the marketplace, participants and their agents are to uphold the highest standards of ethics and shall be compliant with all applicable law and further regulations prescribed by law.

1. Business integrity

The highest standards of integrity are to be upheld in all business interactions. Participants shall have a zero tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement. All business dealings should be transparently performed and accurately reflected on participant's business books and records. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

2. No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain

or retain business, direct business to any person, or otherwise gain an improper advantage.

3. Disclosure of Information

Information regarding participant labour, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

4. Intellectual property

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and, customer information is to be safeguarded.

5. Fair business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available.

6. Protection of Identity and Non-Retaliation

Programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers (defined as: Any person who makes a disclosure about improper conduct by an employee or officer of a company, or by a public official or official body) are to be maintained, unless prohibited by law. Participants should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

7. Responsible Sourcing of Materials

Participants shall have a policy to reasonably assure that the raw materials used for the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses. Participants shall exercise due diligence on the source and chain of custody of these raw materials and make their due diligence measures available to customers upon customers request.

8. Privacy

Participants are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. Participants are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

9. Export Controls and Sanctions

Participants are, and will be, compliant with Sanctions applicable to them and to each of its subsidiaries and to Gasunie

E. Management System

Gasunie suppliers are encouraged to adopt or establish a management system whose scope is related to the content of this GSCC. The management system shall be designed to ensure:

1. compliance with applicable laws, regulations and customer requirements related to the participant's operations and products;
2. compliance with the GSCC; and
3. identification and mitigation of operational risks related to the GSCC. It should also facilitate continuous improvement.

The management system should cover the following topics:

1. Company Commitment
2. Management Accountability and Responsibility
3. Legal and Customer Requirements
4. Risk Assessment and Risk Management
5. Improvement Objectives
6. Training
7. Communication
8. Worker Feedback and Participation
9. Audits and Assessments
10. Corrective Action Process
11. Documentation and Records

BREACH OF THIS GSCC

Anyone in the Supply Chain, including Gasunie and participants in its Supply Chain, is encouraged to inform Gasunie about breaches of the standards set down in this GSCC. You can do so by using the contact information below.

REFERENCES

The following standards were used in preparing this GSCC and may be a useful source of additional information.

Electronic Industry Code of Conduct (EICC), Version 3.0 dated September 2009.

http://www.eiccoalition.org/media/docs/EICCCodeofConduct5_English.pdf

Note:

The Electronic Industry Code of Conduct was initially developed by a number of companies engaged in the manufacture of electronics products between June and October 2004. Companies are invited and encouraged to adopt this code. You may obtain additional information from the above mentioned website.

Document History

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Contact:

N.V. Nederlandse Gasunie

Department Procurement

Postbus 19

9700 MA Groningen

The Netherlands

T: +31 (0)50 521 2241

F: + 31 (0)50 521 1921

E-mail: procurement@gasunie.nl