

## **1. INTRODUCTION**

TDC NET is creating tomorrow's digital infrastructure, so Denmark can continue to be at the forefront of digital transformation. We want to provide the most powerful fixed-line and mobile networks and make using them easy to everyone so we can stay well connected. Providing this infrastructure to society at the lowest environmental cost is one of our most pressing challenges. Therefore, we have a clear mission to shape the next generation of nationwide digital infrastructure that is sustainable.

We rely on our Suppliers to provide goods and services that help us achieve our mission. We believe that mutually beneficial relationships with our Suppliers are built on good faith, aligned values and the desire to collectively address ethical, environmental, and social impacts. These will allow us to co-create a supply chain that is efficient, resilient and sustainable.

This Supplier Code of Conduct is referred to as the "Code" throughout this document. The phrase "Supplier" refers to any entity supplying goods and services to TDC NET, including Supplier's employees, or consultants, contractors, sub-contractor, agents and affiliates used by Supplier.

The Code uses "shall" in reference to minimum requirements that are necessary to be fulfilled. The word "should" refers to practices that we highly encourage all Suppliers to work towards.

## **2. GENERAL REQUIREMENTS**

Supplier agrees that adhering to the minimum requirements laid out in the Code is a main contractual obligation. Supplier shall bind its contractors, sub-

contractors, partners and sub-suppliers to this Code in so far as they are involved in provisioning deliverables to TDC NET.

TDC NET supports and respects the ten principles of the United Nations Global Compact and Supplier shall as well, regardless of whether they are members of the United Nations Global Compact.

## **3. RELATIONSHIP WITH NATIONAL AND INTERNATIONAL LAW**

This Code is not intended to replace the laws and regulations in force in any country where Supplier operate. It seeks to encourage and respect these laws and regulations and ensure that they are faithfully and effectively enforced.

In addition to complying with the following provisions as detailed in this Code, Supplier shall always comply with applicable laws, regulatory provisions and all contractual obligations as agreed between Supplier and TDC NET.

Where TDC NET's minimum standard is higher than applicable regulation, then this minimum standard shall be applied.

## **4. SOCIAL RESPONSIBILITY**

### **4.1 Employment contract**

Supplier shall provide each of its employees with an employment contract in a language that they understand. It shall contain but not be limited to, clear terms and conditions specifying the amount of payment, frequency of payment, overtime compensation, job description and notice period. Non-permanent workers shall have the same rights as permanent workers.

Employees shall not be employed on consecutive short-term contracts to

avoid meeting obligations to employees under applicable laws and regulations.

#### **4.2 Freedom of association and the right to collective bargaining**

Supplier shall seek to implement internationally recognized ILO Conventions, without violating national legislation. It shall ensure that its employees and representatives including temporary (agency) workers may openly express themselves in their company concerning matters related to their working conditions.

Supplier shall ensure that workers involved in the delivery of products and services to TDC NET have the right to form and join trade unions and collectively bargain in accordance with the national law. Supplier shall not take measures to hinder workers from forming and joining trade unions. Supplier shall establish relations of collaboration and mutual trust with the local and international trade unions. Workers' representatives shall not be discriminated against and may perform their representative functions in the workplace.

Where legislation limits the right to freedom of association and collective bargaining, the employer should consider facilitating, not hindering, the development of parallel legal means for free and independent association and bargaining.

#### **4.3 Child labour**

Supplier shall strictly prohibit child labour as defined by ILO-IPEC and of Article 32 of the United Nations Convention on the Rights of the Child (UNCRC). No person shall be employed who is below the minimum legal age for employment. No one under the age of 18 shall be employed for any overtime, hazardous work or night work.

If any child is found working at the premises of Supplier, Supplier shall immediately take steps to redress the situation in accordance with the best interests of the child. Supplier shall contribute, support and/or develop policies and programmes that assist any child found to be performing child labour.

#### **4.4 Forced labour**

Supplier shall not use any form of forced, bonded, indentured, compulsory labour, slavery or human trafficking.

All employment shall be voluntary, and employees shall be free to leave the premises after work hours. Supplier's employees shall be entitled to terminate their employment with reasonable notice. Penalties imposed for leaving during the notice period should not be excessive compared to their salary.

Supplier shall not require employees to lodge deposits of money or withhold payment or place debt upon employees or require employees to surrender any government-issued identification, passports, or work permits as a condition of employment.

#### **4.5 Diversity and non-discrimination**

Supplier shall prohibit and fight negative discrimination based on race, colour, sex, sexual orientation, language, disability, religion, political or other opinion, union membership, national or social origin, property, birth or other status, and shall promote diversity, equality of opportunity and treatment in employment and occupation.

Supplier shall ensure no form of discrimination is present at any stage of employment, from the selection of suitable applicants, their interview and assessment, to the terms of their employment, payment and grounds for dismissal.

Supplier shall treat all employees with respect and shall not use corporal punishment, mental or physical coercion, any form of abuse or harassment or threat of such treatment.

Employees shall have the right to freedom of expression without fear of discrimination or reprisal.

Supplier should have a plan and goal in place to increase diversity in its organization. Supplier should also periodically review its human resources processes for bias and discrimination.

#### **4.6 Remuneration**

Supplier shall provide remuneration according to national legal standard on minimum wage and avoid any wage deductions as disciplinary measure. Where no national legal standards exist, the remuneration shall be sufficient to meet basic needs (ILO C131 – Minimum Wage Fixing Convention). The basis on which workers are paid shall be clearly conveyed to them in a timely manner.

Supplier should measure the gender pay gap and have a plan in place to close any gaps found, on the principle of equal pay for equal work.

#### **4.7 Working hours**

Working hours, including overtime, shall comply with applicable local laws. Where no national legal standards exist, ILO standards shall apply. Supplier shall respect the individual worker's need for recovery and secure that all workers have the right to adequate leave from work with pay.

Supplier should compensate overtime at a premium to the relevant employee's standard hourly rate.

#### **4.8 Health & safety**

Supplier shall act in accordance with relevant local and internationally recognized health & safety standards and applicable local laws.

Supplier shall do its utmost to systematically control hazards and take necessary precautionary measures against accidents and occupational diseases.

Supplier shall ensure it meets general principles of health and safety risk prevention, including identifying, minimising and preventing hazards, using competent and trained people, ensure effective supervision, providing and maintaining safe equipment and tools, including personal protective equipment as required.

Supplier shall have systems and training to prepare for and respond to accidents, health problems and foreseeable emergency situations. Supplier shall have means and procedures in place for recording, investigating and implementing learning points from accidents and emergency situations.

Supplier shall provide free access to drinking water and clean sanitary facilities.

Supplier shall secure that, where it provides accommodation, it shall be clean, safe and meet the basic needs of the workers, and, where appropriate, for their families.

Supplier should implement a Health & Safety Management System based on international standards such as ISO 45001 or similar.

#### **4.9 Grievance mechanism**

Supplier should have a rights-compatible grievance mechanism at an operational

level that allows employees and external stakeholders to confidentially voice their concerns about Supplier's operations and supply chain without fear of retribution. The mechanism should be easily accessible and appropriate to the nature, scale and impact of the business. Concerns raised should be investigated and where abuses to human rights have been identified, remedies should be found in a timely manner and a record of the grievance kept. Supplier should design its grievance mechanism according to the "Protect, Respect and Remedy" framework of the United Nations Guiding Principles on Business and Human Rights.

## **5. ENVIRONMENT**

### **5.1 Environmental protection**

Supplier shall act in accordance with relevant local and internationally recognized environmental standards and applicable local laws. Supplier shall minimize its environmental impact and shall implement measures contributing to the protection of the environment.

Supplier shall obtain, maintain and keep current all necessary environmental permits (e.g. waste management, transportation), approvals and registrations.

Supplier shall take a precautionary approach towards environmental challenges. Supplier shall undertake initiatives to promote greater environmental responsibility throughout the life cycle of the product or service, from raw materials, to production, transportation, use phase and end-of-life. This should include the development, adoption, and diffusion of environmentally friendly technologies.

Supplier shall identify, minimise, monitor, and control all hazardous air pollutants,

water effluents and soil contaminants. All emissions shall be discharged and treated in accordance with international standards and applicable laws.

Supplier should implement an Environmental Management System based on international standards such as ISO 14001.

### **5.2 Circular economy**

Supplier shall have a proactive approach towards waste generation in relevant parts of the full value chain. This means that circular principles need to be applied already in the design phase. Other areas of interest could be modular design, design-for-disassembly and end-of-life treatment with a zero-waste perspective.

Supplier shall also ensure, as much as possible within the context of their commercial relationship with TDC NET, that TDC NET is alerted in order to minimise its environmental impacts offering products and services based on eco-design practices, taking into account, among others, energy consumption, the incorporation of less polluting materials, such as those from recycling, subsequent reuse, reparability, and avoiding planned obsolescence.

Supplier shall have systematic processes for waste management, especially those arising from its activity with TDC NET, giving priority whenever possible to reuse and recycling treatments, with the aim of contributing to the circular economy. For electrical or electronic equipment, Supplier shall adhere to the European Union regulation on Waste Electrical and Electronic Equipment (WEEE).

### **5.3 Climate change**

Supplier shall take action to address climate change by identifying,

monitoring, and minimizing Greenhouse Gas emissions (GHG). Supplier shall have a plan in place to reduce energy consumption and shall calculate the GHG emissions from its own operations (scope 1 & 2 emissions). GHG inventories shall be calculated in line with the GHG Protocol and Supplier shall provide relevant data to TDC NET upon request.

Supplier should have a full assessment of their value chain emissions (scope 3). Supplier should also set a target to bring their emissions in line with the Paris Climate Agreement. This target should be validated by the Science Based Target Initiative or an association that verifies the same level of ambition.

Upon request, Supplier should provide a Life Cycle Assessment result or result from carbon footprint calculation across the full life cycle, according to ISO 14044 for the product or service being purchased.

#### **5.4 Hazardous materials**

Supplier shall respect all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances. Hazardous chemicals and other materials included in products, especially those included in the substances of Very High Concern list of the REACH regulation, shall be identified and managed by Supplier to ensure their safe use, recycling or re-use and disposal. The use of such chemicals and materials by Supplier shall be avoided (and if not possible to avoid or minimise). Where required, Supplier shall deliver electrical or electronic equipment in line with all relevant European Union regulations including RoHS and REACH.

### **6. ETHICS**

#### **6.1 Anti-corruption**

Supplier shall refrain from any form of corruption or even actions that could potentially be construed as such.

Supplier shall not offer, promise or grant illegal benefits to national or international public officials or decision-makers operating in the private sector in order to achieve a preferential treatment or favourable decision; same applies when dealing with donations, gifts or invitations to business meals and events.

Supplier shall not allow itself to be promised or offered advantages and shall not accept the same if this may or shall create the appearance to the party bestowing the advantages that it can thus be influenced in business decisions. Likewise, Supplier shall not request advantages. Supplier shall avoid conflicts of interest that may lead to risks of corruption. Supplier shall ensure that all individuals doing business with TDC NET act in accordance with this Code.

Supplier shall not use third parties for channelling bribes to public officials or private sector bribes or negligently finance corruption.

Supplier should have an anti-bribery policy that sets out zero tolerance for any form of bribery and corruption, including facilitation payments. Supplier should develop and adopt transparent and auditable anti-corruption policies and procedures and adequate internal controls to prevent and detect corruption on the basis of risk assessment.

Supplier should document risk-based due diligence of third parties.

#### **6.2 Fraud and money laundering**

Supplier shall take all measures to prevent money laundering within its sphere of influence.

Supplier should maintain an effective anti-fraud and (where appropriate) an anti-money laundering compliance programme, designed to ensure compliance with the law including the monitoring of compliance and detection of violations.

### **6.3 Competition**

Supplier shall respect the rules of free and fair competition in all business relations, and not act against any competition and/or antitrust law.

Supplier shall not participate in any form of bid rigging or other mechanisms that limit fair competition in tender situations, any form of cartel practices with competitors, such as dividing or allocating markets or customers or price fixing.

### **6.4 Sanctions and embargoes**

Supplier shall adhere to any international trade sanctions (including embargoes) which shall include any sanctions that may be in force as the result of a resolution passed pursuant to Chapter VII of the UN Charter by the UN Security Council, and any sanction that may have been imposed by the European Union or Danish state.

## **7. SECURITY**

Supplier shall maintain an adequately controlled security environment to establish, implement, operate, monitor, review, maintain, and improve information security.

Supplier shall ensure that its personnel is informed about, and complies with, TDC NET's security requirements and policies.

Supplier is entirely responsible for the conduct of its personnel. Supplier shall ensure that its personnel process all information that is passed on to them by TDC NET in accordance with the requirements set by TDC NET and in accordance with the contractual obligations specified.

Supplier shall undertake to remain informed of further developments in information security to improve its products accordingly on an ongoing basis.

Supplier shall ensure that its personnel is informed about, and complies with, TDC NET's security requirements and policies, where systems under its responsibility allows access to TDC NET services and networks.

## **8. DATA PROTECTION**

Supplier shall adhere to all applicable data protection laws and all specific data protection and security requirements deemed relevant. Specifically, Supplier are to fulfil the requirements of the European General Data Protection Regulation, also known as GDPR.

Supplier shall never satisfy any request related to data or information regarding TDC NET unless the request is made in accordance with law (e.g., by a governmental agency) or a court order.

It is strictly forbidden for Supplier to engage in any kind of voluntarily "cooperation" with any third party if this cooperation means the disclosure of data or information related to TDC NET.

When confronted with a request for data or information related to TDC NET that is accessed and/or processed by Supplier, Supplier shall immediately inform TDC NET of such request and shall, on TDC

NET's request, thoroughly check the validity, the lawfulness and the compulsory nature of the demand. If those three conditions are met and there is no choice but to communicate the requested data, Supplier shall limit its communication to data that is strictly necessary in order to comply with its legal obligation. Unless prohibited by law or other binding regulation, before any data is communicated, Supplier shall obtain prior written approval from TDC NET and shall promptly provide TDC NET with copies of all documents and information related to the request, and a complete and precise inventory of all data to be communicated.

Supplier shall do its outmost to keep personal information secure and shall handle all issues as soon as identified with highest care.

## **9. MONITORING, CORRECTIVE ACTIONS AND REPORTING**

Supplier shall identify, correct and monitor the continued compliance of any activities that fall below the standards of this Code.

Supplier shall immediately report to TDC NET any serious breaches of this Code and together with TDC NET agree a mutually agreed timeline for corrective action.

Supplier shall provide TDC NET with reasonable access to all relevant information and premises for the purposes of assessing performance against this Code and regulatory requirements. Supplier shall use reasonable endeavours to ensure that sub-tier suppliers do the same.

At the request of TDC NET, Supplier shall undergo a validated off-site assessment,

such as receiving an EcoVadis rating. Each party shall bear its own costs associated with such assessments.

On-site audits may be conducted by an independent third party on behalf of TDC NET, with or without a TDC NET employee present. In the case that a non-conformity with the Code is found, TDC NET shall be notified, and Supplier shall provide a dedicated improvement plan to be fulfilled in a mutually agreed timeframe. Each party shall bear their own costs associated with such an audit.

A breach of this Code, or failure to resolve a major non-conformity within a mutually agreed timeframe, shall be considered a material breach of contract. TDC NET accordingly reserves all its legal rights and remedies in respect of any such breach.

Supplier should assess its overall impact on society, the economy, and the environment. Supplier should publicly disclose results in an annual report on progress with key metric and targets for material topics. This report and its contents should at least have limited external assurance from an auditing firm.