



ELIA SUPPLIER CODE OF CONDUCT

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Definition:

Suppliers : potential and existing suppliers, contractors and their contractors.

Introduction

At Elia, we help the energy transition become reality. This involves many challenges. We provide the Belgian transport infrastructure of the future. We need to rethink our facilities and our management of the electricity balance, with safety as a top priority. We also help the market to evolve, developing new tools and processes and strengthening our collaborations with all market players. We intend to establish these collaborations on a platform that envisions sustainable development. As a socially responsible company, Elia shows its commitment to society and the environment and this is the expectation we have towards our suppliers.

Our suppliers are important actors allowing us to serve our stakeholders and ensure that our entire value chain contributes to that vision of sustainable development. Hence, at a minimum level we expect our suppliers to comply with all relevant laws, regulations and licenses and observe the principles laid out herewith. In so doing, we would like to establish strong partnerships with our suppliers built on the foundations of transparency; collaboration and excellence (please see further our Purchasing Ethics page for more information).

Our Supplier Code of Conduct (SCoC) sets out principles inspired by the most fundamental international conventions , and guidelines in the areas of Ethical conduct, Health and Safety, Environmental and Social aspects. Whereas we do not require suppliers to join the UN Global Compact , the principles below were inspired by the comprehensive framework of the global Compact's Ten Principles .

We also encourage, and in some cases require, our suppliers to apply the spirit and letter of this document to their own suppliers.

Principles

Elia as a transmission system operator (TSO) is operating in a highly regulated market. Elia retains a monopoly linked to strict rules of corporate governance, and is abiding by the European Tendering rules.

This special legal and competitive context creates high public and community scrutiny and a long-term operational vision for Elia. From that perspective, a supply chain attuned to sustainable development is paramount. The following principles provide the framework for suppliers to realize that ambition.

Ethical Conduct

Under Ethical conduct, we require our suppliers to comply with any legal framework in force in the countries of incorporation and operation, or if lacking international guidelines concerning:

- Anti-corruption and bribery (including giving gifts and / or benefits unduly influencing Elia employees), is to be interpreted according to point Anti-corruption and anti-bribery laws” of the General Purchasing Rules of Elia, and pursuant of that paragraph framed according to the definitions of – amongst others - the United Kingdom Bribery Act 2010, the United Nations Convention against Corruption (Resolution 58/4 of 31 October 2003) and the principles set out in the Organization for Economic Cooperation and Development (OECD).
- Conflict of interests: to avoid any risk of influencing the procedure or discriminating against suppliers, all parties involved in the procurement procedure rule out any unethical or compromising behavior or activity vis-à-vis suppliers or any actions that may suggest it, and we are expecting the same behavior from potential and existing suppliers.
- Confidentiality of information: as a transmission system operator, strict confidentiality rules apply to Elia and its employees. The relevant legislation requires transmission system operators to treat information in a confidential way. Therefore, suppliers with access to data referred to in these specific

provisions of the relevant legislation regarding said confidentiality (both on a federal as a regional level), must comply with them.

- Fair competition: materializing in a non-discrimination principle against suppliers, while we expect suppliers to refrain from practices such as cartels, control or collusion and other anti-competitive acts.
- Appropriate handling intellectual property rights: suppliers are liable for claims arising from the breach of patents, copyright, rights relating to registered design, trade-marks or naming, and other commercial intellectual property rights and applications for these rights.
- Anti-money laundering.

Health and Safety

As a company, Elia always puts safety first and applies the highest safety standards for its own employees, suppliers and anyone coming into contact with our infrastructure. Our ambition is to see all our employees and suppliers go home safe and healthy every day.

To achieve our goal of zero accidents with our suppliers, Elia focus on requiring a high level of qualification and stringent evaluations of suppliers. In parallel, Elia recommend and will require a reliable certification system for suppliers to ensure that they have the skills necessary for the safe execution of their work in full safety. Communicating efficiently, raising awareness and sharing knowledge and expertise will all help to improve the health and safety performance of suppliers. We strongly believe that Elia and our suppliers need to build a positive safety culture together if the zero accidents objective is to be achieved.

We expect our suppliers to share our deep commitment to achieve a safe and healthy work environment. For this reason, we only want to partner with suppliers who share our safety ambitions and commit explicitly to embarking on this demanding journey.

We value suppliers with high safety records and therefore we value the implementation of a certified management system, such as SCC (VCA), BeSaCC, OHSAS 18001, ISO 45001 or similar.

Environmental Aspects

As a key player in the low-carbon energy transition in Europe, we expect our suppliers to align to our ambition and mitigate their businesses' environmental impact, with special regards to :

- Reducing emissions (to land, air and water)
- Minimizing the outflow and disposal of waste, with a view to favor recycling and circular models
- The efficient use of energy and possible sourcing, generation of green energy
- Attention and control of impact on biodiversity and natural habitats
- Strictly comply with all applicable laws and regulations relating to environmental and social protection as well as regulations in force at the site.

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

Social Aspects

We are committed to diversity, equal opportunities, dignity and respect for fundamental rights in work and business relationships. Elia has a wealth of collaborators from various experiences, nationalities and age groups. Hence, we expect suppliers performing work for Elia to be compliant with local legislation and internationally proclaimed principles and conventions of the United Nations in the area of Human Rights and Decent Work. All suppliers have to ensure that they or their subcontractors are not involved in human rights abuses.

Consequently, we are requiring our suppliers to observe and in turn apply these principles in their own supply chain, as follows:

- Prohibition of child and forced labor: all forms of child labor and forced labor are to be abolished. Local legislation is the main reference point regarding minimum working age, if no legislation is existing the applicable ILO Convention has to be followed.

- No inhumane treatment: suppliers are expected to ensure that their employees or subcontractors are not subject to any situation of inhumane treatment or threat, including harassment or sexual abuse, physical punishment, physical or moral coercion, or verbal abuse.
- No discrimination: We believe that diversity makes our teams richer. In that spirit, our suppliers have to ensure that no discrimination exists on the grounds of race, color, gender, language, religion, political opinions, nationality, social background and status, union membership, age, health status or disability.
- Appropriate wage and working hours: suppliers are expected to observe rules on minimum wages and their employees or subcontractors receive salaries, allowances and other benefits, equally to what is defined in national legislation and in International Conventions .
- Freedom of association and right to collective bargaining: suppliers have to guarantee the rights of their own workers to freely uphold trade union associations and engage in formal collective bargaining.
- No illegal employment: suppliers have to ensure that employees and subcontractors are employed or hired according to local legislation.

Elia's Procurement Department will ensure compliance with present S CoC and monitor the framework explained below.

A selection of suppliers, based on an internal risk assessment established on business and sustainability risks , will be asked to formally approve and comply with the SCoC, while to others these principles are highly recommended . A formal approval of the SCoC will be solicited each time the code of conduct is updated. We expect Elia suppliers to report to us any environmental or safety issues, and legal changes affecting their corporate stature so that appropriate, SCoC acceptance can be determined and applied.

In the case of companies required to comply with the SCoC, we may verify compliance by any of the following means:

- Self-assessment questionnaire to be filled in, duly signed and submitted to Elia
- External, third-party assessment: where an external assessor contacts certain suppliers on Elia's behalf
- On-site audits: authorized external, or internal auditors may contact you to ask permission to check compliance with the SCoC on your site.

Non-compliance with the Supplier's Code of Conduct may entail terminating the relationship with the Supplier, depending on the gravity of the violation and on specific circumstances. However, in case of reparable non-compliance, Elia reserves the right to engage the supplier and assist in establishing an improvement action plan with clear deadlines, the fulfilment of which will help the supplier to keep the business relationship intact.

By signing this document, the Supplier confirms that he endorses the aforementioned Elia Supplier Code of Conduct.

Harald van Outryve

Head of Purchasing



¹ E.G : Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

² United Nation Global Compact : for more definition and information, visit <https://www.unglobalcompact.org/>

³ Global Compact's Ten Principles : for more definition and information, visit <https://www.unglobalcompact.org/what-is-gc/mission/principles>

⁴ ILO Convention 138

⁵ Conventions nos.94 and 95 and Recommendation no. 135 of ILO.