

# Supplier code of conduct

## October 2018

## Contents

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1. Legislation	1	4. Environment	2
2. Human Rights	1	4.1. Reduce / Design for Environment	2
3. Labor	1	4.2. Extend and optimize product use	2
3.1. Discrimination	1	4.3. Increase re-use and recycling and minimize waste	2
3.2. Child labor	1	4.4. Product content	2
3.3. Forced labor	1	4.5. Energy consumption and GHG emissions	2
3.4. Working hours	1	5. Ethical Conduct	2
3.5. Disciplinary practices	1	5.1. Fair business practice & ethics	2
3.6. Freedom of association	2	5.2. Anti-corruption & Bribery	2
3.7. Fair remuneration	2	6. Data and Privacy	3
3.8. Health and safety	2	7. Other	3

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### 1. Legislation

Supplier will comply with all relevant international legislation as well as the relevant national legislation of the countries in which they operate.

### 2. Human Rights

Supplier will support and respect the protection of internationally proclaimed human rights as defined by the International Labour Organisation (ILO), will operate in the spirit of the Charter of the United Nations and ensure no involvement in human rights abuses. This includes, but is not limited to, the following subjects.

### 3. Labor

The supplier will not indulge in acts of:

#### 3.1. Discrimination

The supplier shall treat every employee equally and according to their abilities and performance. The same opportunities shall be granted regardless of race, ethnic origin, religion and belief, political opinion, national origin, disability, age, sexual orientation or gender.

#### 3.2. Child labor

We do not tolerate child labor or any form of exploitation of young employees. The supplier shall only employ workers who are legally

authorised to work in their facilities, but not below age of 15. Business partners are also responsible for validating employees' eligibility to work through appropriate documentation and establishing employment relationships in compliance with national legislation.

#### 3.3. Forced labor

The supplier shall commit not use any form of forced, compulsory or prison labor, any other form of involuntary labor or any other form of abuse coercion or harassment as defined by the ILO. All work must be voluntary and workers should be free to leave work or terminate their employment with reasonable notice.

#### 3.4. Working hours

The supplier shall ensure that wages for regular working and overtime hours are paid regularly to employees set by local law and/ or applicable industry standards. The supplier shall not require a working week, including overtime more than/ over 60 hours on a regular basis. Employees shall be allowed at least one day off after six consecutive days of work. The supplier shall also grant to its employees the right to paid vacation.

#### 3.5. Disciplinary practices

The supplier shall treat all employees with respect and dignity. Physical

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or verbal abuse or other harassment and any threats or other forms of intimidation are prohibited.

### 3.6. Freedom of association

We expect our suppliers to respect the rights of employees in order to internationally standard set by the International Labour Organization (ILO). The supplier shall ensure that its employees and representatives including temporary workers may openly express themselves in its company without reprisal, discrimination or obstruction.

### 3.7. Fair remuneration

Supplier ensures remuneration according to national legal standard on minimum wage. Where no national legal standards exist, the remuneration shall be sufficient to meet basic needs (ILO C131 – Minimum Wage Fixing Convention). Supplier shall not use deductions from wages as disciplinary measure. Supplier ensures equal remuneration for men and women for work of equal value. Supplier ensures the payment of wages in legal tender, at regular intervals.

### 3.8. Health and safety

The supplier commits to provide a safe and healthy workplace and should implement effective programs to improve the working environment to prevent and minimize potential accidents.

## 4. Environment

KPN has ambitious goals on sustainability (see <https://overons.kpn/en/>) and stimulates suppliers to contribute to these goals. The supplier shall comply with all international, national, and local environmental laws and regulations that are applicable to their business operations. The supplier ensures all necessary permits, approvals and registrations. The supplier is encouraged to implement an Environmental Management System based on international standards such as ISO 14001 or EMAS. In order to reduce the environmental footprint the supplier shall undertake continuous efforts to optimize their business, products and production processes in accordance with circular economy principles:

- Design for Environment and reduce the use of virgin raw materials.
- Extend and optimize product use.
- Increase re-use and recycling and minimize incineration and landfill of waste.
- Energy Efficiency.

### 4.1. Reduce / Design for Environment

The supplier innovates in products and/or services that offer environmental and social benefits by:

- Reducing the use of (virgin) raw materials and resources.
- Using recycled/bio-based materials where possible.
- Avoiding use of Rare Earth Elements (REE) as much as possible.
- Designing (modular) for re-use and recycling.
- Using materials that can be easily recycled.

### 4.2. Extend and optimize product use

Supplier shall design products and offer services that enhance longevity of product life cycles and efficient use of resources.

### 4.3. Increase re-use and recycling and minimize waste

The supplier shall reduce and treat the waste produced by all activities in order to reduce their environmental footprint. The supplier shall identify, monitor and treat liquid waste and solid waste and air pollutants

generated from operations, industrial processes and sanitation facilities prior to discharge or disposal. The supplier shall stimulate re-use and recycling, thereby minimizing incineration and eliminating landfill of waste.

### 4.4. Product content

The 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, are to be identified and managed to ensure their safe use, recycling or re-use and disposal. Their use has to be avoided and if not possible minimized. The supplier is required to deliver electrical or electronic equipment in line with all relevant European Union regulations such as but not limited to RoHS (Restriction of Hazardous Substances) and REACH irrespective of the country of use, including any non-European countries. Suppliers are expected to ensure that products supplied to KPN do not contain metals derived from minerals or their derivatives originated from conflict regions.

### 4.5. Energy consumption and GHG emissions

The supplier shall develop products or services that are energy efficient and reduce Greenhouse Gas emissions (GHG) emissions during the entire life cycle and value chain. All Equipment provided to KPN or used in the execution of any Specific Agreement, shall comply to the Energy Star standard if applicable or shall qualified as such by the competent authorities. The Supplier should identify, monitor and minimize GHG and energy consumption from own operations including GHG emissions from transportation and travel. Supplier shall do this by making a self-declaration of the Supplier's annual energy consumption and GHG emissions that should be publicly available.

To proactively manage GHG emissions, Supplier is expected to:

- a) Have emissions reduction targets;
- b) Measure and provide emission metrics for GHG emissions;
- c) Take actions to reduce GHG emissions, e.g. by using green power;
- d) Report GHG emission metrics annually and publicly;
- e) Have a process to engage its sub-suppliers to drive GHG emission reduction within Supplier's operations and that of their suppliers.

## 5. Ethical Conduct

To maintain high ethical conduct and operate responsibly, suppliers shall observe the following requirements:

### 5.1. Fair business practice & ethics

The supplier shall uphold the highest standards of fair business, advertising and competition. This includes the requirement that goods and services offered must be free from anti-competitive practices such as price-fixing with competitors. Supplier will refrain from providing KPN personnel with any form of compensation, reward, gift or other benefit, which may influence KPN's personnel objective decision making. Supplier has been informed on these principles, as laid down in the KPN Code of Conduct.

### 5.2. Anti-corruption & Bribery

Supplier will refrain from unethical conduct, such as extortion and bribery. Instead, supplier will be committed to prevent corruption in all forms this may occur.

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## 6. Data and Privacy

We require our business partners to ensure the sufficient protection of received data from KPN in order to fulfill their contracts, rights to personal privacy of its employees and their personal data. Supplier will treat this data in accordance to EU General Data Protection Regulation, as well as any applicable national data protection and telecommunications legislation, to prevent, amongst others:

- Loss of private customer data
- Unauthorized access to employee records
- IPR and or identity theft
- Unprotected personal financial data

## 7. Other

- KPN may reconsider its relationship with a supplier that does not comply with this Code.
- Supplier who cannot (fully) comply with this code will inform KPN in detail on his non-compliance and indicate whether he will comply in the future and when.
- Upon request supplier will deliver, within a reasonable time frame, relevant information to KPN pertaining to the issues in this Code.
- Supplier will inform his employee's and subcontractors of his compliance with this Code and will strive to have subcontractors accept the relevant terms of this Code as well.
- KPN will monitor the use and conditions of this Code with questionnaires and may audit a supplier on his compliance on this Code. Supplier will improve his compliance based on the audits outcome.
- KPN and Supplier will evaluate this Code and seek actively for ways to improve it, both on its content and in expanding compliance to second tier suppliers.
- At first request of KPN, Supplier shall produce an annual sustainability report (CSR report)