

# Sustainability Charter for suppliers

As the national grid company, Swissgrid is responsible for operating the Swiss extra-high-voltage grid safely and without discrimination, and for maintaining, modernising and expanding the grid efficiently and with respect for the environment. Swissgrid takes a responsible approach to people and the environment, and attaches great importance to sustainability. Swissgrid's stance is in line with the Swiss Confederation's strategy for sustainable development, which is one of the national objectives set out in the Federal Constitution<sup>1</sup>. Public procurement law<sup>2</sup>, which Swissgrid is subject to, also places particular emphasis on measures against discrimination, the promotion of effective and fair competition, and the economic, ecological and socially sustainable use of public funds. The criteria of sustainability, quality and cost-effectiveness are central to the awarding of contracts, which is why Swissgrid has defined the following sustainability principles for its suppliers and subcontractors in the areas of construction, services and supply of goods.

## 1. Respect for human rights

Swissgrid requires its suppliers to comply with the UN Guiding Principles on Business and Human Rights and with internationally recognised human rights. In particular, they must refrain from business activities that have a negative impact on human rights.

## 2. Prohibition of discrimination

Swissgrid requires its suppliers to ensure a discrimination-free environment. This includes treating their employees with dignity and respect, and prohibiting any form of discrimination (i.e. any distinction, exclusion or preference made on the basis of criteria such as race, colour, sex, religion, political opinion, national extraction or social origin). This is in accordance with the core conventions of the International Labour Organisation (ILO<sup>3</sup>, Convention 111).

## 3. Prohibition of child labour

Swissgrid requires its suppliers to prohibit child labour and to comply with Swiss law and the core conventions of the International Labour Organisation (ILO, Conventions 138 and 182).

## 4. Prohibition of forced labour

Swissgrid requires its suppliers to prohibit forced and compulsory labour in accordance with the core conventions of the International Labour Organisation (ILO, Conventions 29 and 105). Forced labour means forcing a person to work in any way against their will or, for example, requiring them to hand over their personal identification papers.

## 5. Freedom of association

Swissgrid requires its suppliers to respect the right of workers to freedom of association, i.e. workers must be free to associate, to organise and to bargain collectively, and to form or join trade unions and representative organisations if they so wish. This is in accordance with Swiss law and the core conventions of the International Labour Organisation (ILO, Conventions 87 and 98).

## 6. Health and safety

Swissgrid requires its suppliers to ensure a safe and healthy working environment. In particular, the occupational health and safety regulations applicable at the place of performance must be complied with, and measures must be taken to prevent accidents, injuries and hazards.

## 7. Fair remuneration

Swissgrid requires its suppliers to comply with the local and professional regulations on the remuneration of their employees at the relevant place of performance. In particular, equal pay between women and men, the provisions of the Posted Workers Act<sup>4</sup>, and the wage conditions of collective labour agreements (including those of the grid infrastructure) and standard labour agreements must be respected.

## 8. Environment

Swissgrid requires its suppliers to comply with the legal provisions in force at the place of performance for the protection of the environment and the conservation of natural resources<sup>5</sup>. Swissgrid also requires its suppliers to reduce their emissions wherever possible and reasonable, to keep the flow of goods as low as possible in terms of rejects and waste, to use mainly reusable or recyclable resources, and to treat the environment and biodiversity with care.

## 9. Competition and anti-corruption measures

Swissgrid requires its suppliers to uphold the values of integrity, fairness, respect, professionalism and transparency and to contribute to fair competition. In particular, no agreements may be made with competitors or business partners which have as their object or effect an inadmissible restriction of competition. Money laundering in any form must be combated in accordance with all applicable regulations. In addition, procedures must be applied to prevent corruption, extortion and bribery.

## 10. Services abroad

When services are provided abroad, Swissgrid requires its suppliers to comply with the core conventions of the International Labour Organisation (ILO) in addition to the relevant national law.

## 11. Subcontractors

Swissgrid requires its suppliers to oblige their subcontractors in turn to comply with these sustainability principles. This applies in particular with regard to section 12 «Obligation to notify» and section 13 «Monitoring and violation of sustainability principles», in which Swissgrid is given the opportunity to monitor compliance with these principles within the end-to-end supply chain in cooperation with companies.

## 12. Obligation to notify

Swissgrid requires its suppliers to notify it of any incidents, conduct or other circumstances that constitute, could be considered to constitute or could potentially lead to a breach of these sustainability principles. Notification is required, among other things, of accidents and near-accidents in connection with the performance of services. The notification must be submitted immediately to the Swissgrid contact person in accordance with the contractual regulations. Furthermore, the notification and authorisation requirements set out in the Federal Act on Measures to Combat Illegal Employment<sup>6</sup> must be complied with.

## 13. Monitoring and violation of sustainability principles

Compliance with the sustainability principles can be monitored by Swissgrid or by third parties commissioned by it (including by means of the inspection of documents and on-site inspections). Suppliers are obliged to provide Swissgrid with any necessary information and support in connection with its monitoring activities. If suppliers fail to meet this obligation or violate the sustainability principles, Swissgrid reserves the right to take steps in accordance with the contractual agreement.

**Declaration:** Suppliers confirm the acceptance of and compliance with the sustainability principles listed here. Compliance with the sustainability principles does not in any way release suppliers from its legal obligations, such as the requirements of public procurement law, whereby particular reference is made to Art. 12 of the Federal Act on Public Procurement (PPA)<sup>7</sup>.

1 Cf. Art. 2 and 73 of the Federal Constitution, SR 101 available at <https://www.fedlex.admin.ch/eli/cc/1999/404/en>.

2 Such as the Federal Act on Public Procurement (PPA, SR 172.056.1 available at <https://www.fedlex.admin.ch/eli/cc/2020/126/en>).

3 For a list of ILO core conventions, see Annex 6 to the PPA, available at [https://www.fedlex.admin.ch/eli/cc/2020/126/en#annex\\_6](https://www.fedlex.admin.ch/eli/cc/2020/126/en#annex_6).

4 PWA, SR 823.20 available in German at <https://www.fedlex.admin.ch/eli/cc/2003/231/de>.

5 In particular, the Environmental Protection Act, (EPA, SR 814.01 available at [https://www.fedlex.admin.ch/eli/cc/1984/1122\\_1122\\_1122/en](https://www.fedlex.admin.ch/eli/cc/1984/1122_1122_1122/en)) and Annex 2 of the Ordinance on Public Procurement (PPO, SR 172.056.11 available at [https://www.fedlex.admin.ch/eli/cc/2020/127/en#annex\\_2](https://www.fedlex.admin.ch/eli/cc/2020/127/en#annex_2)).

6 IEA, SR 822.41 available in German at <https://www.fedlex.admin.ch/eli/cc/2007/71/de>.

7 Available at [https://www.fedlex.admin.ch/eli/cc/2020/126/en#art\\_12](https://www.fedlex.admin.ch/eli/cc/2020/126/en#art_12).