

Swissgrid Ltd Code of Conduct

Ethical Standards of Behavior for Swissgrid Ltd and its Staff
Version January 2014



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Recitals

As a Swiss transmission system operator, Swissgrid Ltd («Swissgrid») guarantees secure, reliable and cost-effective grid operations. We act responsibly, professionally and credibly to provide a secure and sustainable electricity supply, both now and in the future.

This Code of Conduct sets out the ethical principles that govern the way Swissgrid does business.

The Code of Conduct is integral to the duties of all employees, the Executive Board and the Board of Directors (collectively called «Staff») of Swissgrid pursuant to their employment contract and/or functional stipulations, and provides a set of ground rules for ethical behaviour. This requires that all employees be aware of their responsibility to act ethically and take this responsibility through on-going compliance with the Code of Conduct. As part of Code of Conduct training, all Staff will receive a hard copy of the Code of Conduct, which is also permanently available on the intranet (i-net). Staff will be informed through appropriate training and information actions about the content of the Code of Conduct as well as the standards, regulations and directives that are relevant to their professional activities. The Executive Board will monitor compliance with the Code of Conduct.

The principles and values set out in this Code of Conduct serve as guidance in relation to Swissgrid business activities and, in particular, will help create a positive and motivational working environment and assist in the realisation of corporate and social responsibility. The principles in the Code of Conduct can be supplemented by directives.

A Code of Conduct can only ever serve as guidance and cannot cover every possible situation. Consequently, as part of this Code of Conduct, Swissgrid expects all staff to apply common sense and to ask for help or guidance on any questions about behaviour in specific situations by consulting with their superiors or the compliance officer.

1. Ethical Principles

We attach a high level of importance to integrity, fairness, mutual respect, professionalism and transparency. These principles govern our conduct towards our work colleagues as well as towards business partners, customers, public authorities and the public.

Discrimination, (sexual) harassment and bullying will not be tolerated.

2. Adherence to Laws, Regulations and Directives

All applicable laws, regulations and directives, internal instructions and procedures must be adhered to by all Staff at all times. Staff must familiarise themselves with the standards that are relevant to their professional activities.

Violations may result not only in disciplinary measures (see section 11 below) but also in criminal prosecution and/or legal action under civil law. Alleged or actual ignorance of the relevant standards is not a valid excuse.

3. Conflicts of Interests

Employees' personal, family or other ties can conflict with the interests of Swissgrid, its business partners or customers. Employees are asked to avoid any situations which could give rise to conflicts of interests.

However, it is not always possible to prevent conflicts of interest or the appearance of such a conflict. In such cases, it is mandatory to immediately inform one's direct superior or the compliance officer and request a joint meeting to attempt to find a mutually acceptable solution.

Personnel interconnections must be disclosed to the direct superior when being appointed. Part-time functions (political offices, mandates as the executive body of legal persons, etc.) must be disclosed before appointment or acceptance and approved by the Executive Board. The superior or compliance officer must be notified of changes.

4. Confidentiality of Company Information

Information and trade secrets that are confidential or not otherwise made public, which include all business, customer and personal data, strategies, planned mergers and acquisitions, pending business transactions, price calculations, bids or imminent personnel changes in key corporate functions, are not intended for third parties (this also includes friends and family members) and must therefore be handled with caution.

Confidential and non-public information and trade secrets may not be passed on either internally or externally without the consent of the Executive Board. This information must be protected against unauthorised access by implementing appropriate technical and organisational measures. Passwords, badges and keys in particular must not be handed to unauthorised third parties.

Confidential and non-public information and trade secrets may not be passed on either during the employment relationship or after it is terminated without the consent of the Executive Board.

5. External Representation

Swissgrid will inform Staff, customers and the public promptly and openly about important and relevant events resulting from its business activities.

Internal and external Swissgrid opinions may only be disseminated by persons who have been expressly granted

the authorisation to do so. Other Swissgrid Staff may only communicate externally by prior agreement with the relevant communications specialist at Swissgrid.

Swissgrid Staff shall deal with the relevant authorities in a cooperative, open and respectful manner.

6. Professional and Financial Integrity

Employees shall portray a true, accurate and objective image of Swissgrid.

Employees are also asked to protect the company's assets (including items entrusted to them by Swissgrid) against loss, damage, misuse, theft, fraud and the like, and to limit non-commercial use to a reasonable extent.

7. Bribery and Corruption

Obtaining or offering pecuniary advantages (monetary or other favours) in order to unfairly better one's position vis-à-vis competitors, business partners and other third parties is prohibited.

Queries concerning bribes, whether in the private or professional domain, must be reported without delay to the compliance officer. Accepting and bestowing typical gifts, benefits and invitations that have a low value (up to CHF 200) is permitted. If there is any doubt about the appropriateness of gifts, benefits and invitations, employees should contact their direct superior, the compliance officer or a member of the Executive Board. Monetary gifts, irrespective of the amount, may neither be accepted nor offered.

8. Donations

Making donations is permissible, but they must be appropriate and are subject to prior consultation with the Executive Board.

9. Occupational Health and Safety Policy

Healthy, capable and motivated Staff are essential to a company's long-term success. The safety and protection of people and the environment are priority issues at Swissgrid.

Swissgrid designs its workplaces to comply with recognised health and safety requirements. Attention must be paid in particular to the prevention of health problems arising in the workplace. This also involves the provision of on-going training and information to all Staff in relation to the safety standards and relevant legislation and ordinances that they are required to respect.

Each line manager is responsible for protecting the health and safety of his or her employees and will be trained accordingly.

Inadequacies and infringements of occupational safety or health protection must be reported immediately to direct superiors, the compliance officer or to a member of the Executive Board.

Swissgrid shall oversee the health and safety of third parties who are located within Swissgrid's sphere of influence, and shall make efforts to always render services safely.

10. Sustainability and Social Responsibility

Swissgrid is aware of its responsibility towards environmental protection and the sustainable management of

natural resources, and takes this commitment seriously. Preserving quality of life for future generations can only be assured by performing work in compliance with recognised environmental standards. That is why Swissgrid is committed to protecting the environment, including, in particular, minimising carbon dioxide emissions, using energy efficiently and managing resources in a sustainable manner in order to ensure a secure and sustainable supply of electricity in the future.

Swissgrid accepts its social responsibility and seeks out dialogue with the relevant stakeholder groups. Public concerns are taken seriously and considered by Swissgrid in its business dealings.

11. Reporting and Dealing with Violations

The rules set out in this Code of Conduct form an integral part of the Swissgrid business culture. All Staff are responsible for ensuring that these rules are adhered to at all times. Breaches of this Code of Conduct, or of any other applicable laws, regulations or directives, will not be tolerated and will be sanctioned accordingly by Swissgrid depending on the severity of the violation and the degree of fault. Possible disciplinary measures include in particular warnings, reprimands, transfers and dismissal (without notice). In cases of serious infringements, Swissgrid reserves the right to inform criminal prosecution authorities and/or to instigate proceedings under civil law. Swissgrid encourages all Staff to report any relevant violations of laws, regulations or directives they have observed to their direct line manager, the Head of Legal & Compliance, a member of the Executive Board or the Trust Authority (as per our Whistleblowing Policy), so that any necessary clarification can be conducted and steps taken. All cases reported will generally be treated in the strictest confidence.

Swissgrid encourages all staff to report violations of laws, regulations or directives they have observed to their direct superiors, the compliance officer or the external reporting office (as per our Whistleblowing Policy), so that any necessary clarification can be conducted and steps taken. All cases reported will always be treated in the strictest confidence.

12. Entry into force, Amendments

This Code of Conduct shall come into effect on 1 January 2014 in place of the previous Code of Conduct issued on 1 January 2013.

This Code of Conduct can be modified at any time by agreement of the Board of Directors. Swissgrid will inform its Staff of changes and additions to this Code of Conduct.

Laufenburg, 4 December 2013

On behalf of the Board of Directors:



Chairman
Adrian Bult



Secretary of the Board of Directors
Barbara Bolliger

This document is a translation of the German version, which has been approved by the board of directors of Swissgrid on 4. December 2013.

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