



Business Partners Code of Conduct

December 2024

Who we are	1
Our expectations	1
Activity chain and transparency	2
Compliance with laws	2
Human rights	3
Health and safety	5
Protection of the environment	6
Business integrity	9
International trade compliance	10
Logistics and transportation	10
Enforcement	11
Upholding high standards throughout upstream activity chain	11
Accurate records	11
Remedies and grievance mechanisms	11
Speak up	11



Who we are

World leader in the B-to-B distribution of electrical supplies

Sonepar is an independent family-owned group and the world leader in the B-to-B distribution of electrical equipment, solutions, and related services.

Our purpose

At Sonepar, we believe that progress moves the world and makes lives better. Every day, through our business, our values and the links we create, we are committed to serving future generations. It is for their future that we power progress.

Our mission

As a trusted partner to electrical equipment manufacturers, Sonepar makes life easier for its customers by selecting and distributing a wide range of products and services in major markets such as industry, construction, energy, and utilities.

Our ambition

Serving customers through an omnichannel experience, promoting best-in-class sustainability and ensuring associates a diverse and inclusive working environment through a unique purpose.

Our expectations

The Sonepar Group (“**Sonepar**”) is committed to being a responsible global corporate citizen. Upholding high standards of ethical, social, and environmental behavior is fundamental to our values, and we expect the same commitment from our Business Partners and their activity chain.

Our Business Partners must comply with the Sonepar Code of Conduct, all applicable laws and regulations, contractual obligations and the terms outlined in this Business Partners Code of Conduct.

Sonepar’s activity chain refers to activities of Sonepar upstream business partners (related to the production

of goods or the provision of services including the design, extraction, manufacture, transport and supply of raw materials, products or parts of products and the development of product or services) and downstream business partners (related to the distribution, transportation and storage of product for or on behalf of Sonepar).

The term “**Business Partners**” includes upstream business partners, downstream business partners, subcontractors and landlords.

The Business Partners Code of Conduct is based on widely recognized international standards such as the Universal Declaration of Human Rights, the two

United Nations International Covenants and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work as well as from the 2011 United Nations Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises.

This Business Partners Code of Conduct defines the minimum standards that Business Partners are expected to follow, maintain, share, and enforce with their employees and their own business partners in their activity chain.



Activity chain and transparency

As a committed corporate citizen, we collaborate with our Business Partners to ensure transparency throughout our activity chain. Traceability and clarity in our international activity chain are top priorities, enabling us to support our Business Partners in fostering to ethical operations.

Our commitment to a more responsible activity chain involves aligning both internal and external business practices. This requires our Business Partners to meet substantially the same standards we apply to our own affiliates.

Our Business Partners are expected to identify and assess potential and actual adverse impacts on human rights, health and safety, and the environment resulting from their own activities and those of their activity chain. Business Partners are required to establish and maintain due diligence processes and to implement concrete action plans to prevent and mitigate potential adverse impacts, bring to an end actual adverse impacts and, when appropriate, provide remediation.

Sonepar commits to offering, where necessary and practicable, targeted and proportionate support to its Business Partners to meet the standards set out in this Business Partners Code of Conduct.

Compliance with laws

Business Partners must ensure that they comply with all relevant local and international laws and regulations. Additionally, industrial suppliers are required to adhere to the specific laws and regulations applicable to their manufacturing facilities.

Human rights

Business Partners must respect human rights and individual privacy. They are expected to treat everyone with respect and dignity, to promote diversity and equal opportunities, and to foster an inclusive, committed, and ethical culture.

Business Partners must ensure that they uphold their employees' rights and comply with all applicable laws and regulations in the countries where they operate.

Child labor

Business Partners must not use child labor or work with Business Partners who do so. Business Partners are expected to implement all means to prevent child labor. A "child" is defined as any person below the statutory minimum age for employment in the location where the work is performed, provided this age aligns with the minimum working ages set by the ILO Convention No 138 and Convention No 182.

If children above the statutory minimum age are legally employed, Business Partners must ensure their well-being and education, prohibiting them from engaging in dangerous or inappropriate tasks and working conditions.

Business Partners must be able to demonstrate, upon request, the existence of robust processes and effective controls to meet these requirements.

Human trafficking

Business Partners must not engage in the recruitment, transportation, transfer, harboring, or receipt of persons through force, fraud, or coercion for exploitation purposes. Additionally, they must not use or provide labor or services obtained illegally, including through migrant smuggling.

Forced labor and modern slavery

Business Partners must never employ or engage anyone against their will as defined in the ILO Conventions No 29 and No 105, nor work with business partners that promote or use such practices.

Business Partners must ensure the freedom of their workers, refraining from confiscating identification papers or using debt bondage or any other form of forced labor. Business Partners shall not use prison labor.

Business Partners must implement and demonstrate dedicated diligence principles for third-party recruiters, including effective selection and verification measures.

Decent wages and working hours

Business Partners must comply with all applicable legal requirements regarding employee compensation and working hours and must ensure their employees receive a decent living wage. They are required to monitor working hours to ensure health, safety and welfare of employees. They must provide workers with clear and understandable pay slips detailing the components of their remuneration and any deductions. Business Partners must ensure timely payment of wages, including overtime, and provide all legally and contractually required healthcare and benefits.





Decent living conditions

Business Partners that house workers directly or indirectly within their activity chain must provide decent, safe, clean, and hygienic living facilities. These facilities must offer sufficient personal and private space for each worker, along with secure storage for their belongings.

Dignity and equal treatment

Business Partners must prevent harassment and cultivate an environment where their employees can work free from physical, psychological, and any other forms of abuse.

Accordingly, Business Partners must ensure that all workers are treated with dignity, refraining from any form of bodily punishment, and strictly

prohibiting physical, sexual, emotional, or mental abuse. Upon request, Business Partners must provide evidence of the mechanisms in place to mitigate risks.

Furthermore, Business Partners are required to have a clearly defined diversity and inclusion policy or roadmap in place, or actively pursue its development. Discrimination in any form, including but not limited to access to training, promotion, maternity protection, and dismissal, based on factors such as sex, race, ethnic origin, religion, age, disability, sexual orientation, political affiliation, union membership, nationality, veteran or reservist status, or gender identity, is strictly prohibited. Business Partners must be prepared to demonstrate the scope and effectiveness of these commitments to Sonepar upon request.

Collective bargaining and trade unions

Business Partners are expected to uphold the freedom of association for workers, ensuring their rights to openly communicate with management about working conditions without facing harassment, intimidation, penalties, interference, or retaliation.

It is imperative that Business Partners demonstrate unwavering commitment to the principles of trade union freedom and collective bargaining rights. Workers must be fully informed of their rights through established written procedures, fostering an environment where they feel empowered to exercise these rights without fear of repercussions.

Health and safety

Business Partners have a responsibility to safeguard the safety, health, and well-being of their employees, contractors, visitors, and all individuals involved in their business activities. This entails providing necessary and mandatory safety training and adequate personal protective equipment (PPE) when required.

Workers

Business Partners must maintain a comprehensive health and safety incident reporting system to track all types of work-related incidents on their premises. They must promptly implement corrective measures as needed. Sonepar reserves the right to request evidence of these measures and access metrics such as injury rates, frequency rates, severity metrics, and data on professional illnesses and sickness ratios.

Business Partners must implement stringent access control measures to ensure the safety and security of their facilities for both workers and external parties.

Business Partners are required to adhere to fire safety protocols that comply with local regulations and recognized international standards. They must conduct regular safety audits of their facilities, taking necessary actions to address any identified deficiencies.

Suppliers must also ensure that the specific risks associated with the production of their products, including raw materials, components, assembly, and packaging, are thoroughly assessed and appropriately managed throughout the activity chain. They must comply with all relevant laws and regulations and make diligent efforts to uphold health and safety procedures.

Products

Suppliers must provide evidence upon request of their products' and packaging's compliance with relevant laws and regulations, encompassing restrictions on hazardous substances and end-of-life recovery and recycling protocols.

Suppliers are responsible for ensuring that all products are accompanied by comprehensive and easily understandable documentation, including clear instructions for use and safety guidelines, especially regarding any dangerous or hazardous materials.

Suppliers must make all certificates of conformity pertaining to products, production processes, or certifications related to their products and services accessible to Sonepar either directly or upon request.



Protection of the environment

Business Partners are expected to respect the environment and understand the impact of their activities in terms of air, water and soil pollution, consumption of energy and natural resources, emission of greenhouse gases, water usage and protection of biodiversity and natural resources.

As part of its purpose, Sonepar intends by 2028 to:

- Provide each customer with the lower CO₂ emission alternative for every quotation.
- Use 100% of packaging coming from recycled materials and recycle 100% of products returned to Sonepar by its customers.

It is imperative that Business Partners demonstrate their commitment to environmental responsibility by actively developing or implementing policies and comprehensive strategic roadmaps aimed at monitoring, verifying, and mitigating their environmental footprint. Such initiatives should be transparently communicated to stakeholders through public reports such as environmental, sustainability, or CSR reports.

Business Partners must be prepared to provide evidence of their environmental policies and strategic roadmaps to Sonepar upon request, ensuring accountability and alignment with sustainability objectives as well as commitment to continuous improvement in environmental performance and sustainability practices.

Compliance with environmental laws and regulations

Business Partners are expected to comply with all applicable environmental laws, regulations and standards in each jurisdiction in which they operate. This means that Business Partners must obtain and maintain all permits and licenses necessary for

their operations, report and disclose environmental information as required by law, stay informed of changes in environmental regulations and adjust their practices accordingly to remain compliant, and report any incidents of non-compliance to the appropriate authorities and take corrective action.

Environmental product data and environmental product declarations

Upon request, suppliers are required to provide product environmental data and, where accessible, environmental product declarations to Sonepar, regularly providing information to assess product impacts on climate and circularity, including as part of the Sonepar Green Offer program where deployed. Standards and programs include but are not limited to ISO 14040-44 for Life Cycle Assessment Studies, ISO 14025 for Environmental Product Declarations (EPDs), PEP Ecopassport Program, Product Category Rules for Building Related Products and Services – IBU, NF EN 50693 Product category rules for life cycle assessments of electronic and electrical products and systems and EN 15804 Sustainability of Construction Works.

Climate change and greenhouse gas (GHG) emissions reporting

Sonepar is committed to combating climate change and expects its Business Partners to actively participate in reducing GHG emissions. Business Partners must implement strategies and take measurable steps to minimize their carbon footprint by implementing





energy-efficient practices, utilizing renewable energy sources, and adopting innovative technologies to reduce emissions.

Accurate and transparent reporting of GHG emissions is essential. Business Partners are required to regularly monitor, record, and report their GHG emissions in accordance with recognized standards and frameworks such as the GHG protocol. This data must be made available to Sonepar and relevant stakeholders when requested to ensure accountability and progress towards emission reduction targets. Sonepar encourages Business Partners to set ambitious goals such as the Science Based Targets initiative (SBTi) for reducing their GHG emissions and to develop and implement comprehensive climate action plans. Compliance with local and international regulations on GHG emissions is mandatory, and Business Partners should strive to exceed these requirements to contribute to global efforts in mitigating climate change.

Business Partners must consistently furnish data – comprising weights, distances, and vehicle specifications or fuel consumption – enabling precise assessment of the environmental footprint in terms of CO₂ equivalent emissions associated with deliveries from their facilities to Sonepar's sites. These data must be sent to Sonepar at least on a yearly basis.

Biodiversity, land use and deforestation

Sonepar is committed to environmental sustainability and expects its suppliers to uphold the highest standards in protecting biodiversity, managing land use responsibly, and preventing deforestation. Business Partners are encouraged to regularly monitor, record, and report their biodiversity impacts in accordance with recognized standards and frameworks. This data should be made available to Sonepar and relevant stakeholders when requested to ensure accountability and progress. Business Partners must actively engage in practices that conserve natural habitats and ecosystems, ensuring the protection and preservation of diverse species. Responsible land use is critical. Business

Partners are expected to avoid activities that lead to habitat destruction and soil degradation.

Deforestation must be prevented by adopting practices that avoid illegal logging, land clearing, and other activities that contribute to forest loss. Business Partners are encouraged to support reforestation and afforestation initiatives.

Business Partners are expected to comply with applicable deforestation laws and regulations and provide Sonepar with all relevant documentation and evidence of due diligence performed to ensure that products supplied are deforestation free.

Waste reduction and circularity

Suppliers are required to have either implemented or be in the process of implementing a waste management and reduction program with well-defined objectives. The process must include strong commitments of recycled packaging content and packing recyclability and reduction. Suppliers must furnish product documentation,

including dismantling manuals and end-of-life disposal guidelines compliant with regulations. In compliance with E.U. Waste Electrical and Electronic Equipment (WEEE) directive and local laws and regulations, suppliers must ensure proper recovery of used products, striving to extend their lifespan whenever feasible.

Business are expected to collaborate closely with Sonepar to explore opportunities for circularity services, including, but not limited to, collection, reuse, repair, refurbishment, remanufacturing, repurposing, and recycling of products.

Chemistry and hazardous substances

Sonepar is committed to ensuring that its purchases do not pose or contribute to chemical hazards. To this end, suppliers are required to provide dated Material Safety Data Sheets (MSDS) for all relevant products in English and in the language of the product user's country.

Suppliers must refrain from using any non-regulated but hazardous chemicals, particles, or substances, such as carcinogenic, mutagenic, or toxic agents, biocides, so-called persistent organic pollutants (POPs), or equivalent materials.

Any use of such hazardous chemicals must be promptly disclosed to Sonepar during the procurement process, allowing Sonepar to make informed decisions regarding product purchases.

Suppliers must comply with the RoHS (Restriction of Hazardous Substances) directive and the REACh (Registration, Evaluation, Authorization, and Restriction of Chemicals) regulation.

Suppliers must also comply with all applicable laws and regulations governing the use, handling, and disposal of per- and polyfluoroalkyl substances (PFAs), including those stipulated by the U.S. Environmental Protection Agency (EPA), the E.U. REACh regulation, and any other relevant local regulatory authorities.

Water quality, consumption and management

Sonepar is dedicated to promoting sustainable water use and expects its Business Partners to adhere to international standards regarding water quality, consumption, and management. Business Partners must ensure that their operations do not compromise water quality, preventing contamination and pollution of local water bodies. This includes the responsible management of wastewater and adherence to all relevant regulations regarding water discharge. Efficient water consumption practices should be implemented to reduce water use and promote conservation.

Business Partners are encouraged to adopt technologies and practices that enhance water efficiency and minimize waste. Proper water management is essential, and Business Partners should actively engage in practices that protect

water resources, ensuring availability and quality for future generations. Collaboration with local communities and stakeholders to support sustainable water use initiatives and watershed management is highly encouraged.

Air quality

Business Partners are expected to regularly monitor, disclose, effectively manage, and, wherever feasible, reduce or eliminate emissions that contribute to air pollution, in strict compliance with applicable law.

Soil quality

When applicable, Business Partners must monitor and mitigate their impact on soil quality to deter erosion, nutrient depletion, subsidence, and pollution.

Local cultures, land forest and water rights

Business Partners must respect local cultures and uphold the rights of local communities and indigenous peoples concerning land, forest, and water rights. They are prohibited from participating in unlawful forced eviction or any other actions that may infringe upon the rights of these communities.

Stakeholders and community engagement

Business Partners are expected to actively engage with stakeholders and local communities, governments, and environmental organizations to understand concerns, gather feedback, and foster collaborative relationships to promote ecological balance and sustainable resource management. This involves regularly assessing and monitoring environmental impact, taking prompt corrective action as necessary, implementing transparent communication channels, and participating in community initiatives for sustainable development.



Business integrity

Compliance with anti-corruption laws

As set forth in its Code of Conduct, Sonepar strictly prohibits corruption and influence peddling and holds Business Partners to the same standards.

Business Partners are expected to have a written zero-tolerance policy towards corruption and influence peddling and to enforce this policy with the intent to avoid breaches of applicable laws and regulations. Business Partners are strictly prohibited from providing, offering, or soliciting anything of value to or from public officials or private-sector employees to influence actions or gain an unfair advantage, including facilitation payments.

Upon request from Sonepar, Business Partners shall respond to inquiries regarding their anti-corruption policies.

Business Partners are required to conduct reasonable due diligence to prevent and detect instances of corruption and influence peddling in all business dealings, including partnerships, joint ventures, and engagements with intermediaries such as agents or consultants.

Business Partners must promptly report to Sonepar any inquiry or demand for any inappropriate financial or other benefits of any kind received in connection with the fulfillment of their contracts with Sonepar.

Gifts and invitations

The exchange of gifts or invitations must never be used to gain an unfair competitive advantage. In all business interactions, Business Partners must verify that offering or accepting any gift, invitation, entertainment, or business courtesy complies with applicable law and is conducted for a legitimate purpose, within reasonable bounds, and devoid of any intent to influence.

Additionally, such exchanges must align with the policies and procedures of the recipient's organization and adhere to reasonable marketplace conventions and practices.

Competition

Business Partners must adhere to all relevant antitrust, competition, and trade practices laws and regulations. This entails refraining from engaging in prohibited activities such as improper sharing of information and data, collusive pricing arrangements, bid manipulation, improper customer or territory allocations, or any other practices that unlawfully impede competition.

Conflicts of interest

Business Partners must avoid any conflicts of interest or situations that may give rise to perceptions of conflict in their dealings with Sonepar. Should any circumstances arise that could potentially lead to a conflict of interest between a Business Partner and Sonepar, the Business Partner must without delay notify Sonepar of any such situation.

Cybersecurity

Business Partners must use cybersecurity technologies and practices in line with industry standards. In the event of a security breach, attempted unauthorized access, or any other incident potentially impacting the security of Sonepar's systems or data, Business Partners must immediately inform Sonepar and cooperate to mitigate the impacts of the incident.

Business Partners must ensure that its employees, subcontractors, and agents receive adequate cybersecurity and data protection training to ensure compliance with contractual obligations and industry best practices.

Confidential information

Business Partners must take the necessary measures to protect all Sonepar sensitive information and data, including without limitation confidential, proprietary, company specific and personal information and data. Only authorized employees and subcontractors of the Business Partner with a legitimate need may have access to sensitive information. Information and data must not be used for purposes beyond the scope of the business arrangements with Sonepar, without first obtaining Sonepar's approval in writing.

Intellectual property

Business Partners are required to uphold intellectual property rights and must refrain from infringing upon the intellectual property rights of Sonepar or of third parties when developing, manufacturing, or delivering products, or providing services to Sonepar. Business Partners are strictly prohibited from engaging in any form of infringement of intellectual property rights or supplying counterfeit products.

Personal data

Business Partners must comply with all applicable laws and regulations concerning personal data protection.

International trade compliance

Taxes

Business Partners must ensure compliance with all tax laws and regulations in the jurisdictions where they conduct business operations and maintain open and transparent communication with tax authorities.

Export and import control

Business Partners must ensure that their actions comply with all applicable laws and regulations governing the import and export of goods or services they offer.

Specifically, they must take proactive measures to prevent any actions that could lead to a breach of sanctions measures, whether administered by national or international authorities.

Conflict minerals

Suppliers are responsible to confirm whether their products contain conflict minerals – namely, raw materials like tin, tantalum, gold, and tungsten, sourced directly or indirectly from conflict areas or neighboring regions. Should such minerals be present, suppliers must conduct thorough investigations into their activity chain to trace the origin of these materials. Subsequently, they are required to take necessary actions to ensure that products provided to Sonepar are free from conflict minerals, declaring any use of such materials.

Suppliers dealing with conflict minerals, either directly or indirectly, must adhere to international responsible sourcing standards established

by the Organization for Economic Co-operation and Development (OECD). They must ensure that global and E.U. smelters and refiners of these minerals uphold responsible sourcing practices. Upon request, suppliers must present periodic compliance reports, demonstrating the steps taken to enhance transparency and ethical standards within their activity chain. Suppliers may be requested to provide certifications confirming their compliance with due diligence procedures under applicable regulation.



Logistics and transportation

Business Partners must pay specific attention to human rights and health and safety risks that the logistics and transportation sectors are particularly prone to. Employees in these sectors must benefit from the same rights and standards as those mandated for other employees in this Business Partners Code of Conduct.

Enforcement

Upon request, Business Partners must provide Sonepar, in good faith, with any relevant information, documentation and evidence of compliance with this Business Partner Code of Conduct.

Sonepar may take any appropriate measures to verify compliance with the Business Partners Code of Conduct. It may include audits conducted by Sonepar or a third party designated by Sonepar, in person or otherwise, of any relevant document and information.

Business Partners who are unable to comply with this Business Partners Code of Conduct, whether immediately or temporarily, will be assessed to determine the viability of establishing or continuing a business relationship. If deemed feasible, the Business Partner must propose a satisfactory action plan, which must be formally approved and monitored by Sonepar.

Sonepar reserves its right to require correction of the violations, suspend purchases, refuse to take delivery under any purchase order and return any goods from the Business Partner until the non-conformities have been corrected and, depending on the nature of the non-compliance, Sonepar may terminate the agreement with any Business Partner that fails to remedy non-compliance within a reasonable timeframe in addition to any other rights or remedies available.

Upholding high standards throughout upstream activity chain

Business Partners are expected to ensure standards are upheld across their upstream activity chain. This includes defining and implementing comparable standards for their tier-1 business partners and establishing binding requirements for tier-1 business partners to cascade these standards throughout the activity chain.

Accurate records

Business Partners are required to uphold the integrity of their records, refraining from altering any entry to obscure or misrepresent the true nature of the transaction or information it represents. All records, regardless of format, serving as evidence of business transactions must faithfully and accurately reflect the transaction or event documented. Furthermore, records must be retained in accordance with all relevant legal and contractual retention obligations.

Remedies and grievance mechanisms

Business Partners are required to establish robust grievance mechanisms with clear remediation. These mechanisms must be documented, well-publicized among workers, easily accessible, and ensure confidentiality and protection against retaliation. Adequate corrective actions must be taken, and any harm to workers must be promptly addressed.

Upon request, Business Partners must provide evidence of the existence and effectiveness of these grievance mechanisms.

Speak up

Business Partners must provide their employees with suitable channels to voice concerns or issues for discussion, free from any fear of retaliation.

Business Partners' personnel and its sub-contractors may at any time use Sonepar's Speak Up Line, available to all external parties and accessible via Sonepar's corporate website.



How to use Sonepar's *Speak Up* line

Over the phone: [Download the user guide](#)

Online: [Access Sonepar Alert Platform](#)



SONEPAR SAS

25 rue d'Astorg
75008 Paris, France

+33 (0)1 58 44 13 13
groupcompliance@sonepar.com
hq_sm_sustainability@sonepar.com
sonepar.com

A French simplified joint-stock company
with a share capital of 107,936,507.94 euros
RCS PARIS B 585 580 202

Translations of this document may be
subject to interpretation. Only the English
version is authoritative.

All Rights Reserved – December 2024