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# **Supplier Code of Conduct**

Implementation guide

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# ABB Supplier Code of Conduct implementation guide

## Aim of this guide:

This implementation guide explains how you as an ABB supplier can meet the requirements of the ABB Supplier Code of Conduct ([ABB Supplier Code of Conduct](#)). The guide explains the measures required and how to implement them efficiently. Please read the ABB Supplier Code of Conduct carefully before using this guide.

Suppliers refers to third parties, including individual contractors, that ABB engages to purchase goods and/or services and/or works.

## Measures necessary to fulfill the requirements of the ABB Supplier Code of Conduct:

- 1 Set up an appropriate **organizational structure**: assign responsibility for managing different topics to managers with appropriate seniority. Ensure that your subcontractors and suppliers do the same.
- 2 Conduct a **risk analysis** and set up appropriate **policies and procedures**: establish a management system and worksheets to identify risks related to the topics covered in this document. **Set targets**, follow-up **action plans and timelines** and make sure that they are accessible and easy to follow.
- 3 Set up **regular trainings**: all employees, contract and temporary workers should receive recurring trainings on relevant sustainability issues and workers' rights, including grievance mechanisms. Trainings may take the form of meetings, online learning, workshops or similar. Communication should be in the workers' **native languages** to ensure understanding.
- 4 Set up a **tracking system** to **monitor progress** on sustainability performance: the system should provide transparent reports on progress towards defined key performance indicators (KPIs) based on credible data, including for example: corrective action plans, inspections, permits or working-hour documents.
- 5 **Communicate** the principles of the ABB Supplier Code of Conduct to your **suppliers and subcontractors**: integrate equivalent requirements into supplier contracts and set up a process to evaluate suppliers' performance on these requirements.

## Additional points to consider:

- When it comes to workers' rights, where legal requirements do not exist, we recommend that you follow the International Labour Organization's (ILO) standards as well as common international frameworks listed in the ABB Supplier Code of Conduct;
- Regularly check on new requirements and prepare adequately and in a timely manner for upcoming legislation related to topics covered in the ABB Supplier Code of Conduct;
- ABB has the right to audit and inspect your operations and facilities and interview your workers during site visits, upon reasonable notice and with your consent. If the results of an audit or inspection show that you do not comply with the ABB Supplier Code of Conduct, you shall take necessary corrective actions in a timely manner, as directed by ABB.

## Collaboration and support:

If ABB's purchasing practices or conditions (e.g., order specifications or delivery times, ) make it difficult for you to fulfill ABB's supplier requirements, please get in touch with your ABB procurement contact.

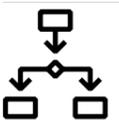
ABB provides training and other support materials to support its suppliers, which can be found on our [supplier portal](#).

### What is sustainability?

Sustainability, or sustainable development, is an integrated approach that seeks to meet the needs of people in the present without compromising the ability of future generations to meet their needs. All of the topics in the ABB Supplier Code of Conduct fall under the umbrella of sustainability, including human rights, integrity and protection of the environment.

## Overview

This is an overview of topics covered in the ABB Supplier Code of Conduct and the key principles it comprises. By clicking on a topic, you can deep dive into ABB's expectations and how to fulfill them. ABB expects you to communicate all these principles to your suppliers and subcontractors.

|   | ABB Supplier Code of Conduct                                 | Most critical issues  |
|---|--|---|
|    | Human rights and decent work                                 | <ul style="list-style-type: none"> <li>• Child labor</li> <li>• Forced labor, debt bondage or modern slavery</li> <li>• Protection of young workers, pregnant/nursing workers</li> <li>• Excessive overtime</li> <li>• Adequate and timely payment of wages and overtime</li> <li>• Social insurance</li> </ul> |
|    | Health and safety  | <ul style="list-style-type: none"> <li>• Safe and healthy workplaces</li> <li>• Health and safety risk assessment and mitigation</li> <li>• First aid and firefighting equipment</li> <li>• Emergency preparedness and drills</li> </ul>  |
|    | Climate and environment                                      | <ul style="list-style-type: none"> <li>• Environmental licenses and permits</li> <li>• Environmental risk assessment and mitigation of impact</li> <li>• Targets and performance tracking</li> <li>• Waste management</li> <li>• Control of hazards</li> </ul>  |
|  | Material compliance and responsible minerals                 | <ul style="list-style-type: none"> <li>• Compliance with the "ABB List of Prohibited and Restricted Substances"</li> <li>• Traceability of conflict minerals and other minerals of interest</li> </ul>  |
|  | Business ethics  | <ul style="list-style-type: none"> <li>• Anti-bribery and corruption</li> <li>• Antitrust and fair competition</li> <li>• Conflicts of interest</li> </ul>  |
|  | Business and information security                            | <ul style="list-style-type: none"> <li>• Protect and secure facilities</li> <li>• Cyber security</li> <li>• Data privacy</li> </ul>   |
|  | Procurement by suppliers                                     | <ul style="list-style-type: none"> <li>• Communicate and ensure principles along the value chain</li> <li>• Know your suppliers and sub-suppliers and their risks</li> <li>• Report actual and suspected violations</li> <li>• Subcontract work only with prior consent from ABB</li> </ul>                     |
|  | Documentation, inspections, reporting and corrective actions | <ul style="list-style-type: none"> <li>• Timely and full implementation of corrective actions</li> <li>• Documentation</li> <li>• Report actual and suspected violations</li> </ul>   |
|  | Reporting concerns and access to remedy                      | <ul style="list-style-type: none"> <li>• Cascade information within your company</li> <li>• Access to remedy for all potentially affected stakeholders</li> <li>• Assist with investigations</li> </ul>   |



## Human rights and decent work

We require our suppliers to respect the same international human rights principles and standards as ABB. You shall respect the personal dignity, privacy and rights of each individual; refrain from making any person work against his or her will; and prohibit unacceptable behaviors and practices.

| ABB's expectation   | How you can fulfill ABB's expectations   |
|---|--|
| All workers are of <b>legal working age</b> .   | <ul style="list-style-type: none"> <li>Ask for proof of age (official birth certificate, government-issued ID, etc.) of prospective employees and subcontracted workers to ensure compliance with applicable minimum age requirements. Make a copy of the document and keep on file.</li> <li>Define a child-labor remediation process to address and remediate cases of child labor as and when these might be identified.</li> <li>Instruct security guards to check ID cards at your facility's entrance.</li> <li>Local NGOs, parents, schoolteachers and community representatives near your company site can provide useful information to help you assess the risks and understand the nature of child labor in your local context.</li> </ul>  |
| <p><b>No modern slavery</b>, especially no form or support of <b>forced or compulsory labor</b>, prison labor or <b>debt bondage</b></p> <ul style="list-style-type: none"> <li>No retention of original documents of workers</li> <li>No retention of payments or recruitment fees</li> <li>No one is made to work against their will</li> </ul> | <ul style="list-style-type: none"> <li>Check your hiring practices and integrate questionnaires/controls to mitigate any form of forced labor or debt bondage.</li> <li>Verify whether new employees have paid fees at any point in the recruitment process to obtain employment. This includes fees for travel or visas, medical tests, or intermediary or recruitment agencies in their home countries.</li> <li>Conduct post-arrival interviews with migrant workers to understand their recruitment journey and identify potential signs of forced labor.</li> <li>Adopt an "employer pays" principle and reimburse recruitment fees to workers in cases where workers have paid them.</li> <li>Make grievance mechanisms available in all languages, including the native languages of migrant workers.</li> <li>In company accommodations or employee dormitories, provide safe storage places such as high-security lockers where workers can store and access their identity documents freely and at any time.</li> <li>Local NGOs can provide useful information to help you assess the risks and understand the nature of forced labor in your local context.</li> </ul> |

### What is child labor?

**Child labor** is often defined as work that deprives children of their childhood, their potential or their dignity. It refers to work that is mentally, physically, socially or morally dangerous and harmful to children and/or interferes with their schooling. Child labor also refers to employment of children who are underage or who do excessively long and heavy or hazardous work as determined by the laws of a state.

### What is forced labor and debt bondage?

**Forced labor** (or compulsory labor) refers to situations in which persons are compelled to work against their will through the use of violence or intimidation, debt bondage (see below), retention of identity papers, excessive overtime or threats to report them to immigration authorities.

**Debt bondage**, also known as debt slavery or bonded labor, is another way in which workers end up in forced labor. It exists when laborers (sometimes with their families) are forced to work for an employer in order to pay off debts that may in some cases have been inherited. Workers may be in debt bondage even if they receive wages or other compensation.

| ABB's expectation  | How you can fulfill ABB's expectations   |
|--|--|
| <b>Young workers, pregnant or nursing</b> workers only undertake appropriate tasks   | <ul style="list-style-type: none"> <li>Keep a list of young workers under the age of 18 as well as pregnant or nursing workers.</li> <li>Define and document measures to ensure their work is safe and they are not exposed to hazards.</li> <li>Have a work plan to ensure that these workers are excluded from hazardous work and are not required to access hazardous areas.</li> <li>Wherever possible, assign safe work to these workers, e.g., apprenticeships or vocational training.</li> <li>Track breaks and working hours to ensure that these workers are exempt from nightshifts or overtime.</li> </ul>  |
| Workers are free to participate in <b>labor unions</b> or similar committees and <b>bargain collectively</b>   | <ul style="list-style-type: none"> <li>Communicate clearly to workers that you respect their right to join labor unions freely without negative consequences.</li> <li>Engage with labor unions and/or workers' committees to reach collective bargaining agreements.</li> <li>Ensure that collective agreements are available in all workers' languages.</li> <li>Provide workers with meeting spaces free from management interference / supervision.</li> <li>Ensure that suggestions from workers are taken seriously and acted upon.</li> </ul>   |
| Clear process and effective communication of <b>equal opportunities</b> and <b>non-discrimination</b>  | <ul style="list-style-type: none"> <li>Regularly check that all workers are paid the same wages for the same work, and pay special attention to possible differences in compensation between men and women and workers from minorities or vulnerable groups.</li> <li>Check that all workers have access to training and promotions and that they are free to terminate their contracts.</li> <li>Prohibit unacceptable behaviors and practices that could result in physical, psychological or economic harm.</li> <li>Promote diversity and tolerance within your workforce.</li> <li>Train workers in managerial positions how to lead and manage conflicts respectfully without any form of harassment.</li> </ul> |
| Ensure <b>working hours</b> are: <ul style="list-style-type: none"> <li>Within legal/ILO limits</li> <li>Transparently tracked</li> <li>Overtime is voluntary</li> <li>Workers have at least 1 day off every 7 days</li> </ul> | <ul style="list-style-type: none"> <li>Introduce a tracking system to carefully monitor working hours per worker and ensure that each worker has at least one day off per week, is not required to do excessive overtime and that overtime is always done voluntarily.</li> <li>Ensure that overtime is documented and fairly compensated for.</li> <li>Alert ABB if an adjustment in the ordering process or timelines is needed to better plan capacities.</li> <li>Adjust the workforce and skills to avoid excessive overtime.</li> <li>Be prepared to hire more workers during peak periods and ensure that subcontracted workers receive the same protections as your own workers regarding overtime.</li> </ul> |

### Vulnerable groups

Vulnerable groups are those that experience political, social or economic marginalization on the grounds of age, disability, ethnicity, gender, nationality, religion, sexual orientation or other characteristics.

### Working hours (ILO reference)

Most countries have statutory limits of weekly working hours. Excessive hours of work and inadequate periods of rest and recuperation can damage workers' health and increase the risk of work accidents.

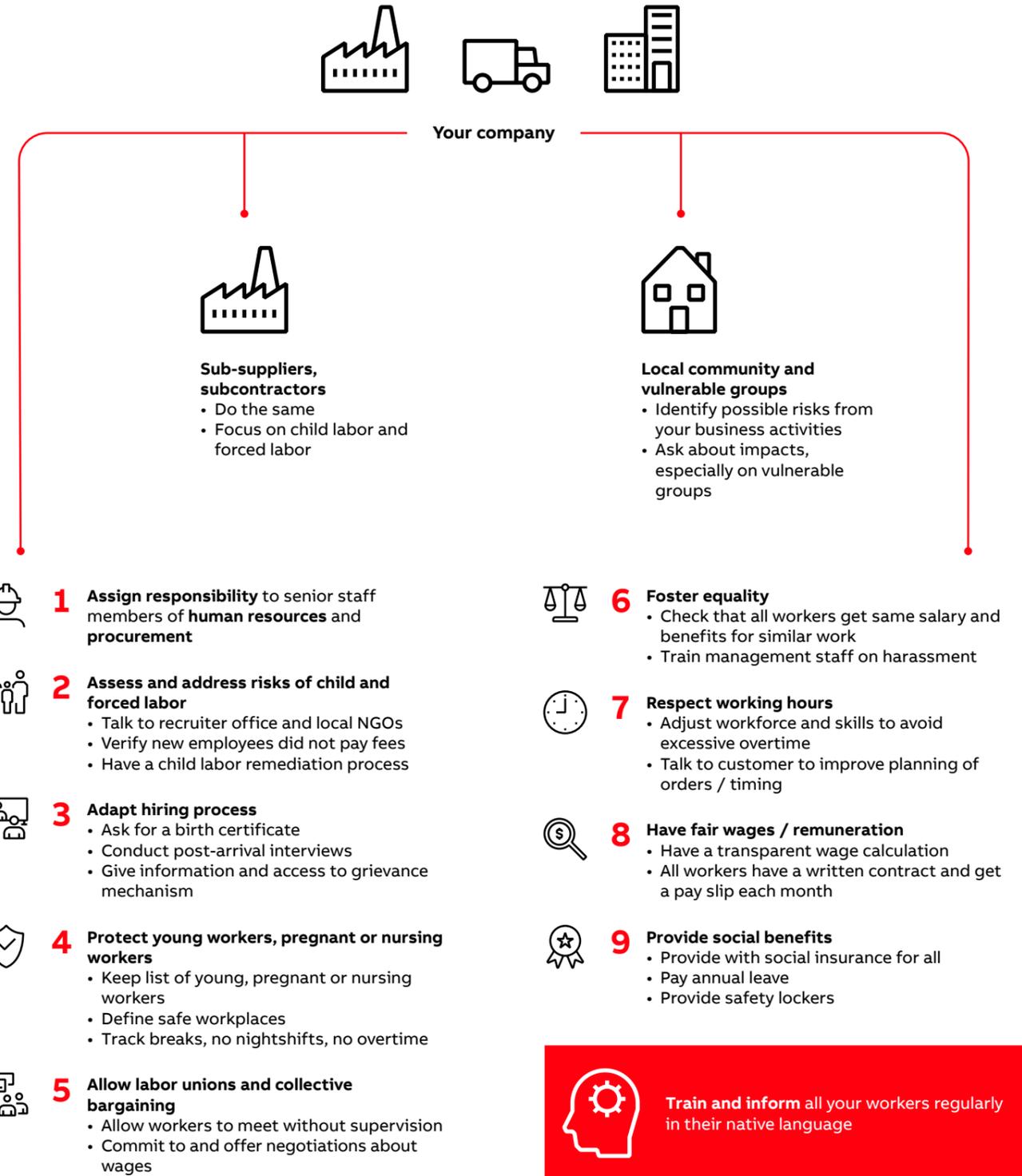


| ABB's expectation  | How you can fulfill ABB's expectations  |
|--|---|
| <p><b>Wages are:</b></p> <ul style="list-style-type: none"> <li>• Regularly paid</li> <li>• Include a pay slip</li> <li>• Enough to cover basic needs (without overtime payments)</li> <li>• Appropriate to skills</li> </ul>                    | <ul style="list-style-type: none"> <li>• Have a transparent calculation of wages for all jobs including deductions.</li> <li>• Provide all workers with a written contract in a language they understand.</li> <li>• Provide a pay slip regularly (at least once a month) including separate overtime and social benefits information.</li> <li>• Specialized NGOs/labor unions can provide useful information to help you understand at what level the piece-rate, weekly or monthly wage would need to be set to ensure an adequate standard of living for workers in your local context.</li> </ul>  |
| <p>You provide <b>social benefits</b> for all workers:</p> <ul style="list-style-type: none"> <li>• Insurance to mitigate reduction or loss of income</li> <li>• Paid leave</li> <li>• If needed: dormitories, canteen and sanitation</li> </ul> | <ul style="list-style-type: none"> <li>• Join a local social security system and make sure all employees including subcontracted and temporary workers are covered.</li> <li>• Do not charge workers fees or financial penalties unless allowed by local law in this context.</li> <li>• Regularly train workers on how to prevent and protect themselves against illness/injury.</li> <li>• Provide paid leave and long-term contracts.</li> <li>• If you offer worker accommodation, make sure it allows for a decent standard of living, including hygiene, sanitation and privacy.</li> <li>• Consider offering childcare services in or near company sites.</li> </ul> |
| <p>You have processes to avoid negative impacts on <b>local communities and vulnerable groups</b></p>  | <ul style="list-style-type: none"> <li>• Identify groups in the local community, including indigenous peoples and other vulnerable groups, that are affected economically, socially or environmentally by your operations. Impacts can include safety hazards; pollution of air, land or water; waste; unlawful eviction; or depriving people of their land.</li> <li>• Take action to avoid or minimize the identified impacts; track and document results.</li> <li>• Where negative impacts have occurred, compensate the affected group appropriately.</li> <li>• Regularly talk to representatives of neighboring communities to review performance.</li> </ul>        |



## Human rights and decent work

### Good practice





# Health and safety

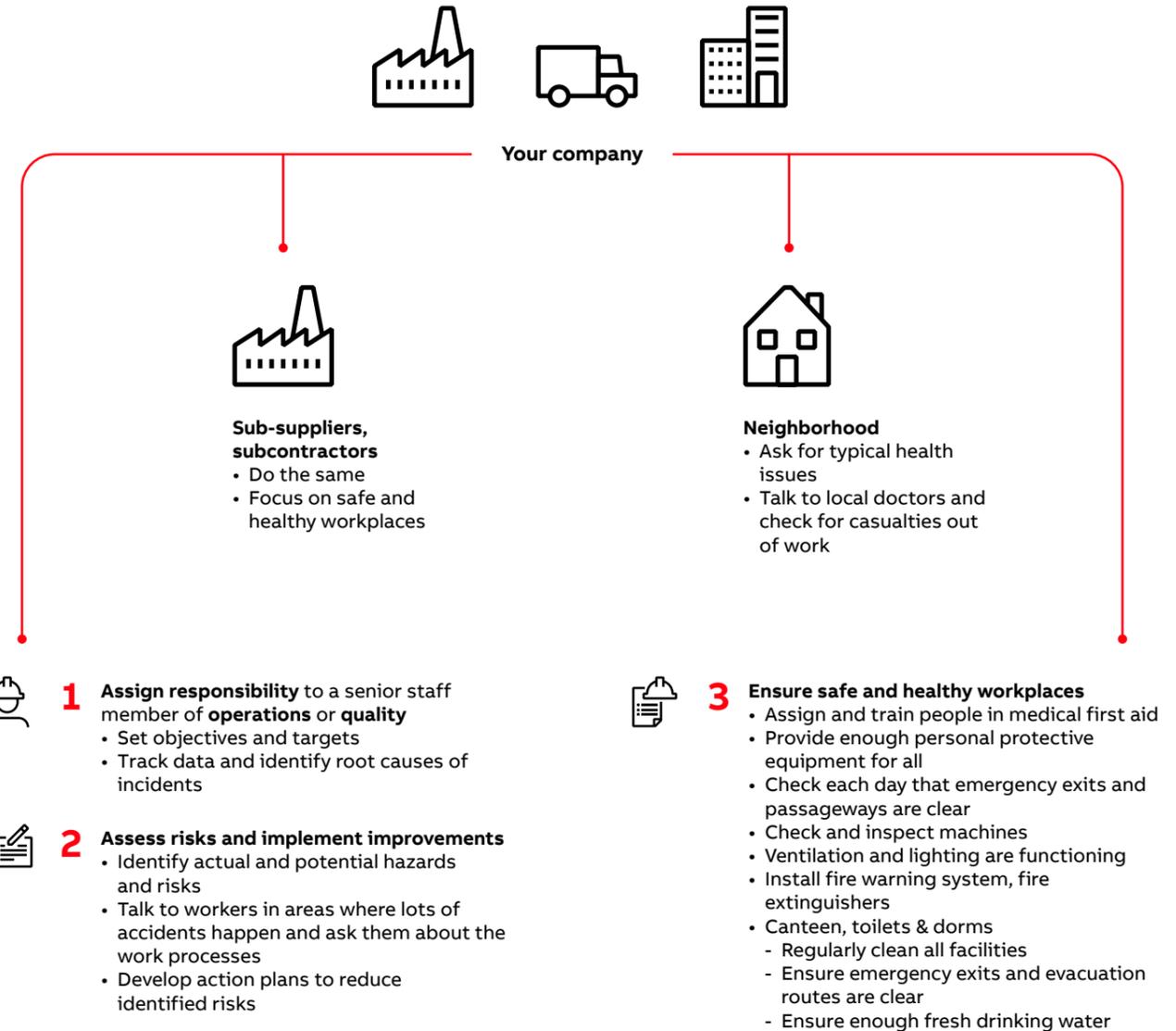
We require our suppliers to follow the same high standards for health and safety as we do. You shall provide a safe and healthy workplace for all of your workers, including temporary labor, contractors and others who may be affected by your activities.

| ABB's expectation  | How you can fulfill ABB's expectations  |
|--|---|
| <b>Manage occupational health and safety (OHS):</b> <ul style="list-style-type: none"> <li>• Set objectives/targets</li> <li>• Track and document</li> <li>• Collaborate with ABB</li> </ul>   | <ul style="list-style-type: none"> <li>• Have a system to track data on accidents, incidents, lost-time injuries, near misses and occupational illnesses.</li> <li>• Hold quarterly management meetings to review OHS issues.</li> <li>• Consult potentially affected workers to identify root causes and take targeted measures to avoid future accidents.</li> </ul>  |
| <b>Conduct an OHS risk assessment:</b> <ul style="list-style-type: none"> <li>• Identify potential impacts, hazards and risks</li> <li>• Have an action plan to reduce and mitigate identified risks</li> </ul>  | <ul style="list-style-type: none"> <li>• Walk with an OHS expert around the workplace, local neighborhood and company-provided living quarters to assess risks.</li> <li>• Regularly maintain, inspect and test machines and equipment such as hoists, lifts, chains and pressure vessels. Document all tests including the date on which they were conducted.</li> <li>• Local doctors can provide useful information to help you identify typical health issues that might arise from your activities.</li> </ul>   |
| <b>Train workers on OHS and communicate hazards to all workers:</b> <ul style="list-style-type: none"> <li>• Have a training plan in place, especially for high-risk jobs</li> <li>• Perform emergency preparedness and response drills</li> </ul>   | <ul style="list-style-type: none"> <li>• Develop a training plan based on an OHS risk assessment.</li> <li>• Conduct regular trainings for targeted functions on incidents, non-conformities and changes in technology, and record them including attendees and date.</li> <li>• Provide training when onboarding new recruits or in case of job rotations.</li> <li>• Raise awareness of OHS through “toolbox talks,” safety meetings and visual signage.</li> <li>• Do regular walking tours with employees to check emergency exits, evacuation routes and assembly points.</li> <li>• Regularly conduct emergency drills and adapt processes if needed.</li> </ul>  |
| <b>Ensure a safe and healthy workplace for all:</b> <ul style="list-style-type: none"> <li>• Provide adequate first aid and firefighting equipment</li> <li>• Inspect, test and regularly maintain all equipment</li> <li>• Make sure a medical room is available</li> <li>• Ensure personal protective equipment is in use</li> </ul> | <ul style="list-style-type: none"> <li>• Conduct daily checks to ensure that emergency exits and passageways are free of obstacles.</li> <li>• Ensure all lighting and ventilation comply with the latest standard.</li> <li>• Install a fire warning system and functioning fire extinguishers.</li> <li>• Eliminate and control hazards in consultation with an expert so all job-related hazards are under control.</li> <li>• Provide adequate personal protective equipment such as a helmet, gloves and eye and ear protection for everyone free of charge.</li> <li>• Ensure health and safety conditions apply to all workers, including temporary labor, contractors, visitors and others who may be affected by your activities.</li> </ul> |
| <b>Ensure dormitories and the canteen have good safety and sanitary standards</b>  | <ul style="list-style-type: none"> <li>• Have functioning and clean storage areas for food and groceries.</li> <li>• Have someone appointed for hygiene at dormitories and the canteen.</li> <li>• Ensure these facilities are cleaned regularly.</li> <li>• Ensure emergency exits and evacuation routes are clear.</li> <li>• Provide enough fresh drinking water.</li> </ul>   |



## Health and safety

### Good practice



**Train all workers on the first day and refresh regularly**

- Do walking tours with workers and show safety instructions
- Ask workers about hazards in their daily work, find solutions

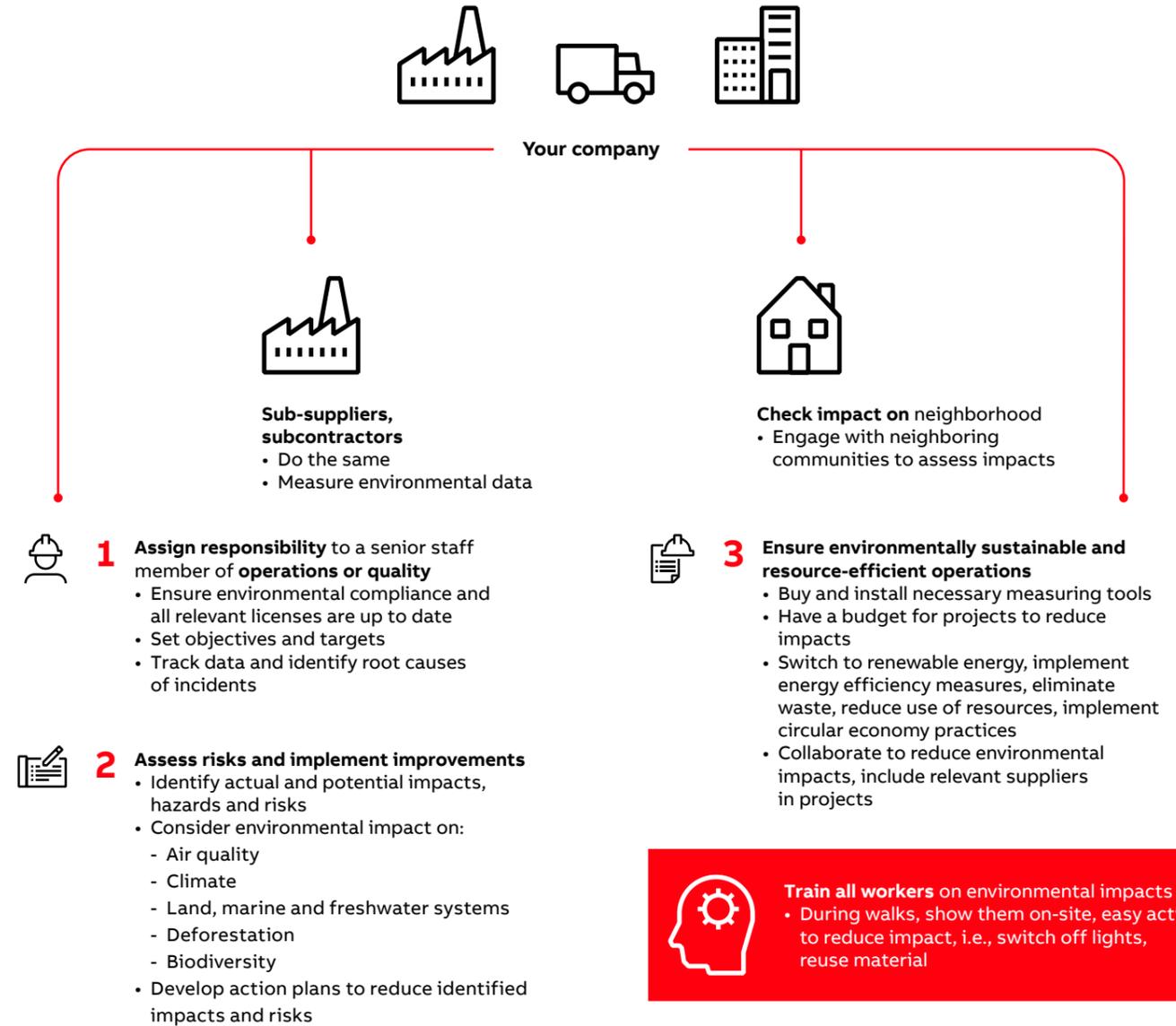


# Climate and environment

We require our suppliers to share our commitment to mitigate climate change, protect the environment and biodiversity, and preserve resources. We have set science-based targets in line with limiting global warming to 1.5 °C and require that you collaborate with ABB to achieve this objective. You shall conduct your business in a low-carbon, environmentally sustainable and resource-efficient way and ensure that the goods and services provided to ABB comply with requirements covered under the scope of all relevant regulations and conventions.

| ABB's expectation  | How you can fulfill ABB's expectations  |
|--|---|
| <p>Set up an <b>environmental management system</b>:</p> <ul style="list-style-type: none"> <li>• Ensure environmental compliance</li> <li>• Track and document data</li> </ul>  | <ul style="list-style-type: none"> <li>• Be aware of all environmental legal requirements and ensure that all relevant licenses are up to date.</li> <li>• Set up a documentation system with all relevant measures including energy use, greenhouse gas emissions, water consumption, chemical usage, waste handling and recycling, and sustainable material content.</li> <li>• Hold quarterly meetings with senior management to review environmental issues, improvement measures and progress.</li> </ul>  |
| <p>Perform <b>climate and environmental risk assessments</b>:</p> <ul style="list-style-type: none"> <li>• Identify actual and potential impacts, hazards and risks</li> <li>• Assess impacts on multiple dimensions, including:                             <ul style="list-style-type: none"> <li>- Air pollution</li> <li>- Climate change</li> <li>- Pollution and degradation of land, marine and freshwater systems</li> <li>- Deforestation</li> <li>- Biodiversity loss</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Define your company's most important actual and potential environmental impacts.</li> <li>• Perform assessments according to applicable science, regulations and standards.</li> <li>• Regularly engage with neighboring communities to proactively identify any negative environmental impacts in your surroundings.</li> <li>• Involve an expert to do a walking tour.</li> </ul>  |
| <p><b>Train and communicate</b> with workers on environmental issues:</p> <ul style="list-style-type: none"> <li>• Appoint a qualified senior person</li> <li>• Have a training plan</li> </ul>  | <ul style="list-style-type: none"> <li>• Set aside a budget to train senior management on environmental topics.</li> <li>• Communicate your policy, targets and improvement measures to all workers.</li> <li>• Conduct walking tours to show all workers how preventive measures are taken or projects implemented.</li> </ul>   |
| <p>Ensure <b>environmentally sustainable and resource-efficient operations</b>:</p> <ul style="list-style-type: none"> <li>• Set objectives/targets</li> <li>• Switch to renewable energy, implement energy efficiency measures, eliminate waste, reduce use of resources</li> <li>• Implement circular economy practices</li> <li>• Provide data to ABB on request</li> </ul>   | <ul style="list-style-type: none"> <li>• Buy and install necessary measurement tools to track operations (e.g., energy consumption, water use).</li> <li>• Assess how well you already perform by taking measurements on defined topics.</li> <li>• Contact your ABB procurement contact regarding environmental targets that ABB has communicated to you to check that your goals are relevant and your measures appropriate.</li> <li>• If deforestation is an issue, talk to suppliers and ask for solutions.</li> <li>• Have a budget and conduct life cycle analyses for major products to assess the most relevant environmental impacts and then take appropriate action.</li> </ul> |
| <p><b>Collaborate</b> to reduce environmental impact according to ABB requirements</p>   | <ul style="list-style-type: none"> <li>• Undertake projects with ABB and others to reduce environmental impact.</li> <li>• Include your relevant suppliers in projects to reduce environmental impact.</li> <li>• Seek collaborations with local companies and/or universities on innovative projects. Take part in congresses or industry forums on innovative technologies on renewable energy, circular economy practices, etc.</li> </ul>   |

## Climate and environment Good practice





# Material compliance and responsible minerals

At ABB, we are determined to comply with regulatory and customer requirements regarding the prohibition and restriction of substances, including hazardous substances and responsible sourcing of minerals. Therefore, suppliers shall ensure that goods provided to ABB comply with requirements covered under the scope of all relevant regulations and conventions.

Note: this section applies only to suppliers of products, parts or materials that are used in ABB's products.

## Material compliance

| ABB's expectation  | How you can fulfill ABB's expectations  |
|--|---|
| <b>Management</b> of substances used in products for ABB   | <ul style="list-style-type: none"> <li>• Appoint a senior manager to check on new legislation and take actions in a timely manner.</li> <li>• The <a href="#">ABB List of Prohibited and Restricted Substances is updated twice a year</a> – check for updates.</li> <li>• Consult the <a href="#">“Guide for Suppliers to the ABB List of Prohibited and Restricted Substances”</a> for help with interpreting the list and guidance on suppliers' obligations.</li> <li>• Have a process to identify and classify all substances according to their risks.</li> </ul> |
| <b>Provide and declare, when requested:</b>  | <ul style="list-style-type: none"> <li>• Disclose required information regarding products, parts and materials supplied to ABB that contain any substances included in the ABB List of Prohibited and Restricted Substances, and maintain an up-to-date list.</li> <li>• Provide relevant safety information for handling if needed.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• All substances on the <a href="#">“ABB List of Prohibited and Restricted Substances”</a></li> <li>• Full product material disclosure</li> </ul> |   |

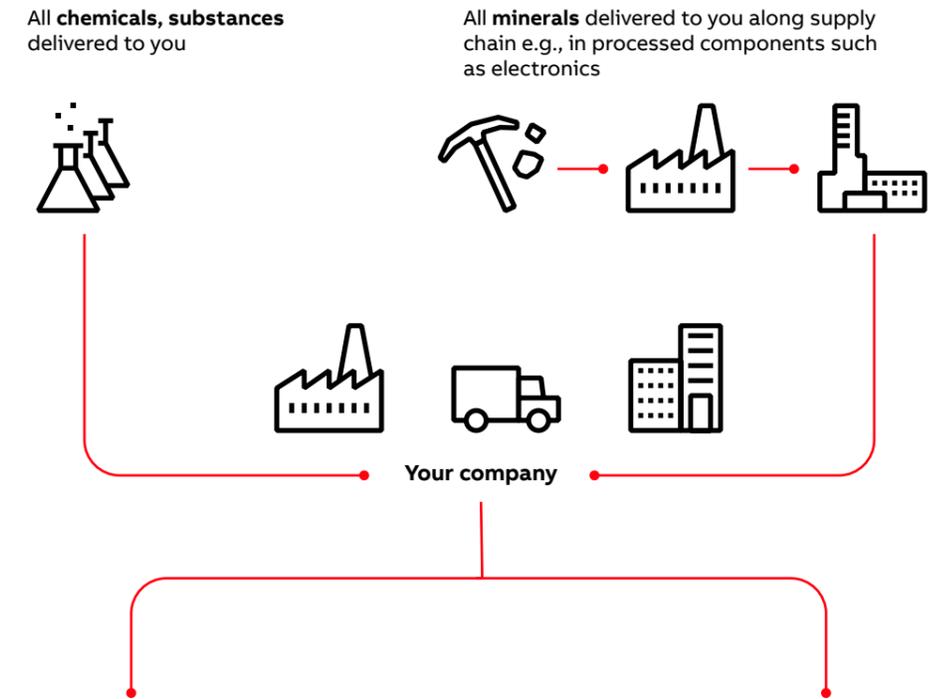
## Responsible minerals

| ABB's expectations  | How you can fulfill ABB's expectations   |
|---|--|
| <b>Management</b> of minerals used in products for ABB  | <ul style="list-style-type: none"> <li>• Appoint a senior manager to regularly check on new legislation and take actions in a timely manner.</li> <li>• Have a process to identify and classify all minerals, including a) conflict minerals and b) other minerals of concern.</li> </ul>  |
| <b>Have a due diligence process in place for critical minerals:</b>   | <ul style="list-style-type: none"> <li>• Set up a management system for adherence to responsible sourcing legislation.</li> <li>• Map key minerals contained in processed components you buy (including but not limited to 3TG, aluminum, cobalt, copper, lithium, mica and zinc), such as electronics, batteries, etc.</li> <li>• Identify and map sources of origin of all minerals, including country and region.</li> <li>• Check whether the minerals originated in an area classified as conflict-affected or high-risk.</li> <li>• Train your buyers to be aware of risks and on how to engage with suppliers to address them.</li> <li>• Engage with suppliers/intermediaries to increase traceability of supply chains.</li> <li>• Talk to NGOs or support/join initiatives to mitigate risks related to minerals from such areas and ask for third-party audited protocols.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Identify usage of tin, tungsten, tantalum and gold (3TG) and other minerals as requested by ABB</li> <li>• Identify any minerals originating from conflict-affected and high-risk areas (CAHRA)</li> <li>• Create and communicate a responsible minerals sourcing policy as per the OECD guidance on responsible sourcing</li> </ul> |  |



# Material compliance and responsible minerals

Good practice



| Material compliance   | Responsible minerals  |
|---|---|
| <p><b>1 Assign responsibility</b> to a senior staff member of <b>operations</b> or <b>quality</b></p>   | <p><b>1 Assign responsibility</b> to a senior staff member of <b>procurement</b></p>  |
| <p><b>2 Implement a process</b></p> <ul style="list-style-type: none"> <li>• Check updates on “ABB List of Prohibited and Restricted Substances”</li> <li>• Check for ABB guidance to interpret correctly so to be compliant</li> </ul>   | <p><b>2 Implement a process</b></p> <ul style="list-style-type: none"> <li>• Check OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas</li> <li>• Identify and classify all minerals</li> </ul>  |
| <p><b>3 Provide and declare information</b></p> <ul style="list-style-type: none"> <li>• Track and document substances in products, parts and materials supplied to ABB</li> <li>• Provide information on substances when requested by ABB</li> <li>• Provide relevant safety information for handling</li> </ul> | <p><b>3 Identify origins / producers of minerals</b></p> <ul style="list-style-type: none"> <li>• Follow up mineral supply chain → ask supplier for chain of custody and identify origin of minerals</li> <li>• Check if tin, tantalum, tungsten, gold, aluminum, cobalt, copper, lithium, mica and zinc are from conflict-affected and high-risk areas</li> <li>• Ask for 3rd-party audited protocols</li> </ul> |
|   | <p><b>4 Raise concerns to ABB immediately</b></p> <ul style="list-style-type: none"> <li>• Especially on human rights non-compliance</li> <li>• Talk to NGOs or support / join a multi-stakeholder initiative to collaborate on minerals supply chain</li> </ul>  |

**Train your buyers and direct suppliers on legislation and ABB requirements**



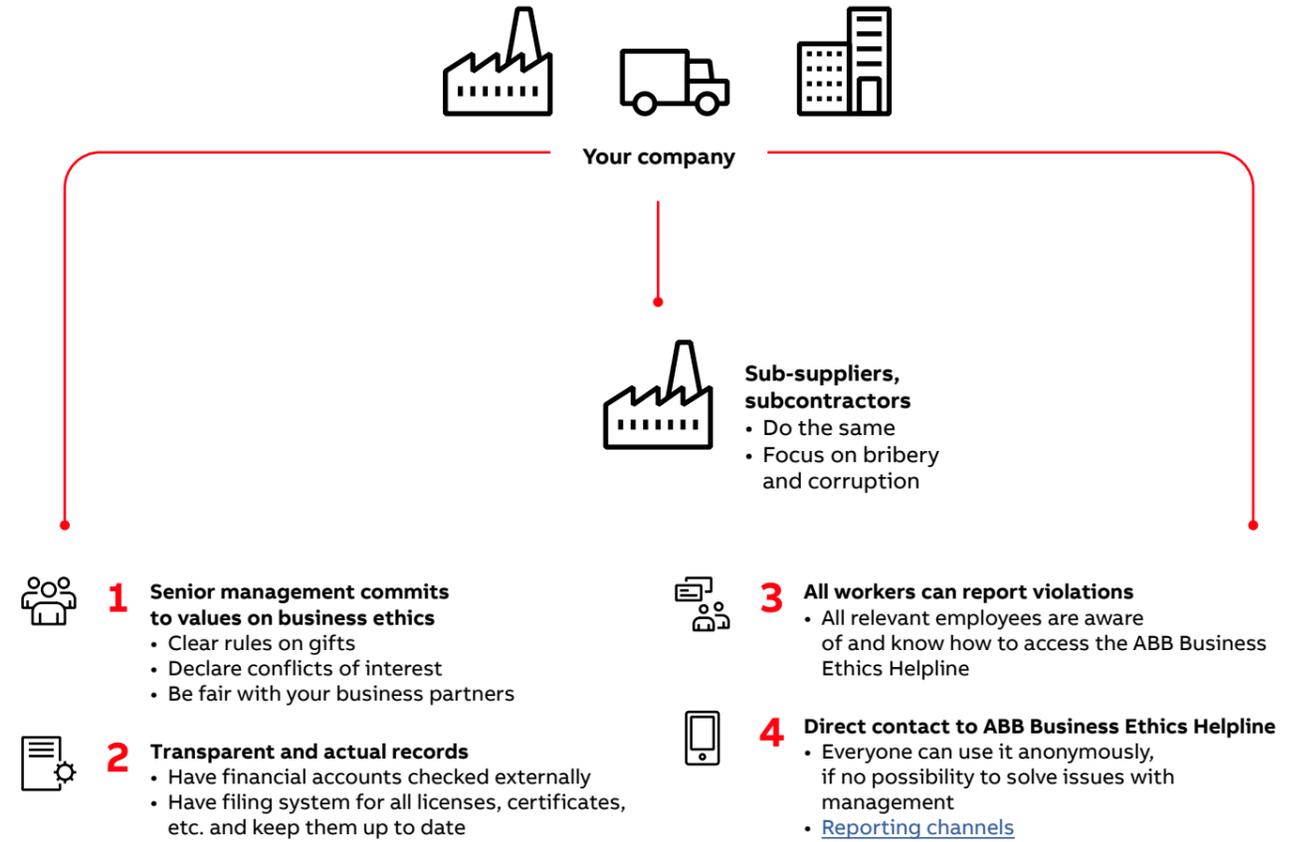
# Business ethics

We only enter into business relationships with reputable third parties that share our ethical standards. You shall conduct your business in an ethical manner.

| ABB's expectation   | How you can fulfill ABB's expectations  |
|---|---|
| <p>Management commits to ensure strict <b>compliance with local and international laws and regulations:</b></p> <ul style="list-style-type: none"> <li>• No bribery or corruption</li> <li>• No fraud, theft or money laundering</li> <li>• No unlawful tax evasion</li> <li>• No other violations of applicable law</li> </ul> | <ul style="list-style-type: none"> <li>• Have clear rules about accepting gifts, hospitality or donations.</li> <li>• Ensure that every management member transparently declares mandates to avoid conflicts of interest.</li> </ul>  |
| <p>Full and fair <b>record of all business transactions</b></p>   | <ul style="list-style-type: none"> <li>• Have your financial accounts externally audited.</li> <li>• Collect all bills and keep the records for at least five years.</li> <li>• Have all relevant approvals, licenses and certificates ready prior to export or transfer.</li> </ul>  |
| <p>Provide <b>regular training</b> for all employees and targeted learning for specific functions</p>   | <ul style="list-style-type: none"> <li>• Hold regular tests on the latest regulations for senior management, buyers and vendors to check knowledge of business ethics, antitrust and competition laws and trade regulations.</li> <li>• Appoint a senior manager to establish a training plan and refresher units which cover critical cases.</li> <li>• Have a clear training plan with a list of attendees and dates.</li> </ul>  |
| <p><b>Monitor ethical conduct and encourage reporting</b> of potential violations:</p> <ul style="list-style-type: none"> <li>• All relevant employees are aware of and know how to access the <a href="#">ABB Business Ethics Helpline</a></li> </ul>  | <ul style="list-style-type: none"> <li>• We encourage you to establish your own anonymous whistleblower system. If you do so, you should proactively inform all relevant stakeholders about the existence, purpose and use of your whistleblower system, as well as the ABB Business Ethics Helpline.</li> <li>• Encourage employees to report any potential violations.</li> <li>• Share any concerns of misconduct through the ABB Business Ethics Helpline.</li> </ul> |



## Business ethics Good practice



**Training and test:**

- Biannual training and test on business ethics for senior management
- Check on ABB trainings and participate with workers



## Business and information security

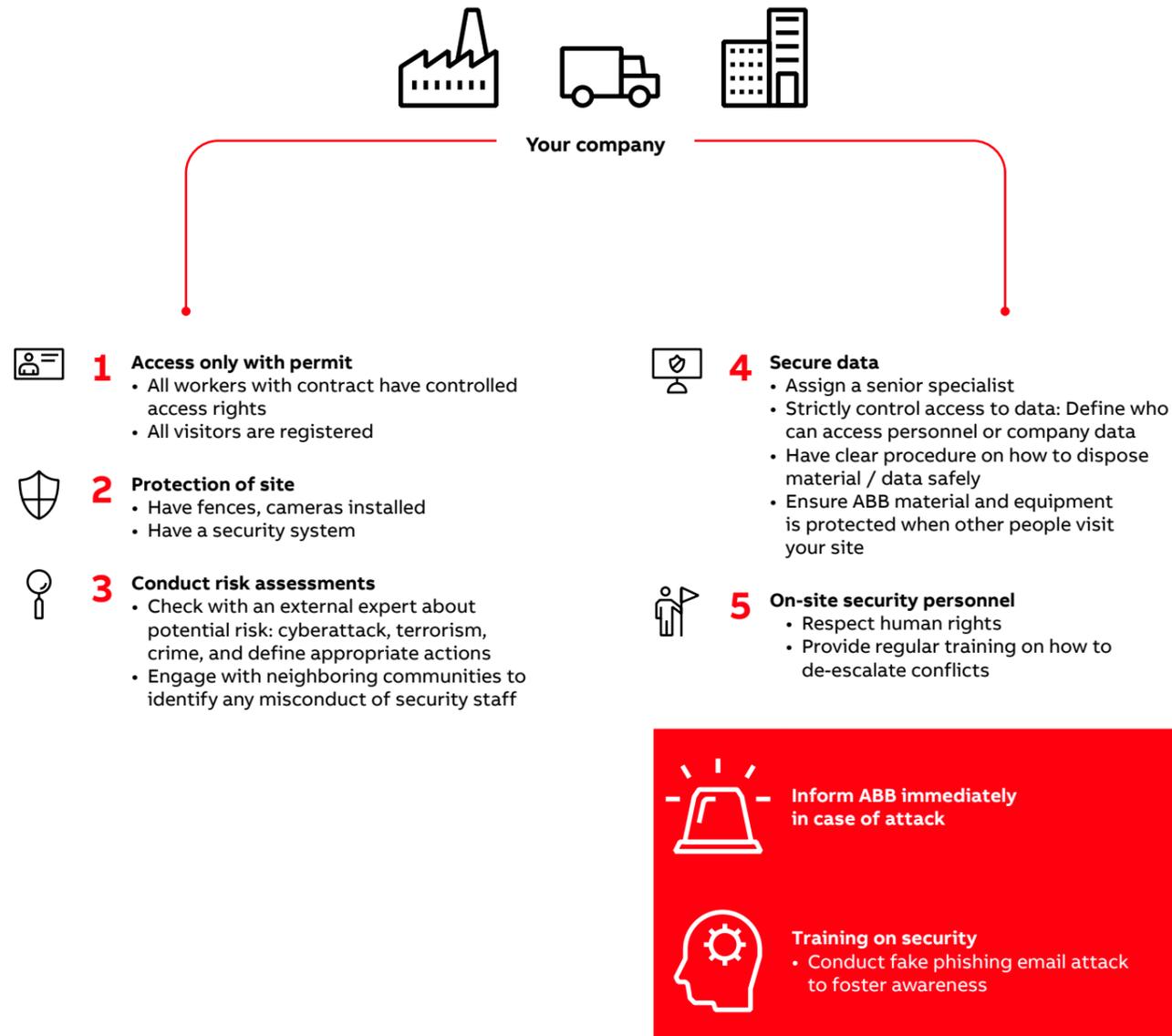
You shall conduct your business in a secure manner, taking care of the safety and security of people as well as physical assets and information or data assets.

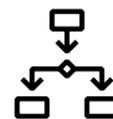
| ABB's expectation   | How you can fulfill ABB's expectations   |
|---|--|
| Establish a <b>security plan</b> to minimize threats  | <ul style="list-style-type: none"> <li>Assess possible risks linked to terrorism or crime and define appropriate procedures.</li> <li>To be doubly sure, consider engaging external experts to conduct a security audit and check the effectiveness of your security plan.</li> </ul>  |
| <b>Manage, monitor and report</b> on information and data security  | <ul style="list-style-type: none"> <li>Have every employee sign a data privacy agreement.</li> <li>Ensure strict control of access to data. Train authorized personnel on how to manage data and ensure they sign a declaration of trust.</li> <li>Ensure safe storage of electronic data by carefully evaluating service providers.</li> <li>Inform ABB immediately if a cyber-attack occurs.</li> </ul>  |
| <b>Access</b> to company sites is <b>regulated</b> and ABB material or equipment protected  | <ul style="list-style-type: none"> <li>Everyone who enters a site should be checked or have a personal badge.</li> <li>Have a security system on site, such as CCTV, fences, gates with locks or security guards.</li> <li>Ensure that ABB technology is protected when other customers visit your company.</li> <li>Dispose of ABB material/data safely and ensure any confidential information is removed.</li> </ul>  |
| <b>Security personnel</b> , whether private or public, must <b>respect the human rights</b> of the individuals they encounter while on duty | <ul style="list-style-type: none"> <li>Exercise due diligence in the selection of security staff, and review their performance regularly.</li> <li>Include in the selection process of security personnel a requirement to respect human rights.</li> <li>Check that security personnel receive regular training on the fair treatment of people and respect for human rights.</li> <li>Regularly talk to staff and representatives of neighboring communities to review performance and proactively identify any misconduct by security staff.</li> </ul> |



## Business and information security

Good practice

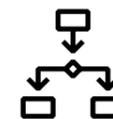




# Procurement by suppliers

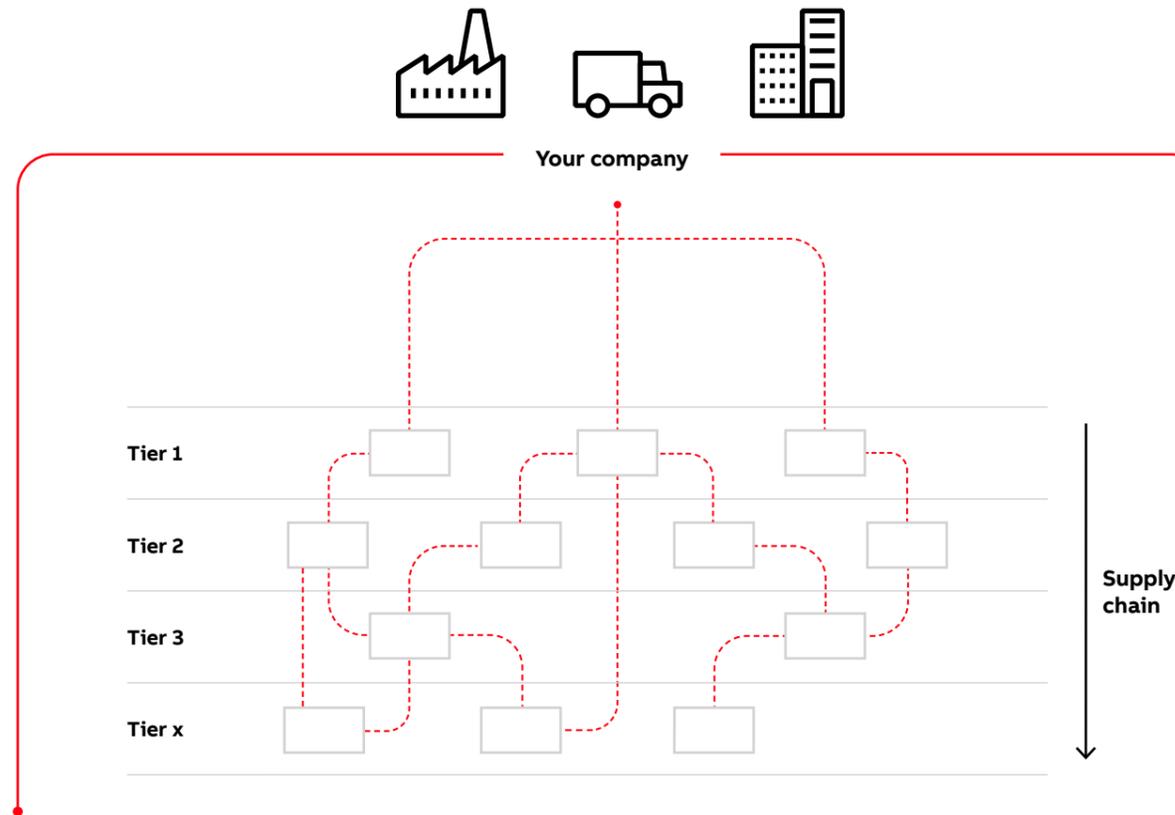
We are committed to a transparent and competitive sourcing process and to dealing fairly and responsibly with our suppliers. You shall procure goods and services in a responsible manner consistent with the requirements of the ABB Supplier Code of Conduct.

| ABB's expectation   | How you can fulfill ABB's expectations  |
|---|---|
| <p>Ensure that your <b>suppliers commit to standards</b> equivalent to the ABB Supplier Code of Conduct:</p> <ul style="list-style-type: none"> <li>• Include equivalent standards in supplier contracts</li> </ul>   | <ul style="list-style-type: none"> <li>• Establish a procurement process that includes evaluation of the sustainability, human rights and integrity standards of suppliers both during selection and as long as you continue to work with them.</li> <li>• Integrate these standards into supplier contracts.</li> </ul>  |
| <p><b>Communicate</b> sustainability standards effectively to your suppliers and subcontractors. Make sure that you:</p> <ul style="list-style-type: none"> <li>• Know your suppliers</li> <li>• Have a system to categorize risks in your supply chain, including beyond tier 1</li> </ul> | <ul style="list-style-type: none"> <li>• Map your tier 1 suppliers using existing tools, such as the billing system or contracts.</li> <li>• Consider multiple factors to assess your supply chain, including human rights and environmental and regulatory risks. Consider, for example, raw materials used, processing steps, sectoral risks, country risks, etc.</li> <li>• Focus on major and high-risk suppliers and establish long-term business relationships and regular discussions about sustainability issues.</li> <li>• Train major tier 1 suppliers regarding sustainability and encourage and support them in training their suppliers.</li> <li>• Conduct audits of high-risk suppliers.</li> </ul> |
| <p><b>Collaborate with ABB:</b></p> <ul style="list-style-type: none"> <li>• Establish a process to inform ABB immediately if you suspect any violation of standards</li> <li>• Ask ABB for approval prior to contracting subcontractors at ABB sites</li> </ul>                            | <ul style="list-style-type: none"> <li>• Establish channels for communication with various stakeholders to monitor and be warned of possible violations.</li> <li>• Assign a senior person to contact ABB in case of any suspected violations.</li> <li>• Have a transparent process to track all subcontractors at ABB locations.</li> </ul>   |



## Procurement by suppliers

Good practice



**1 Assign responsibility** to a senior staff member of **procurement**



**2 Know your supply chain**

- Use billing system or contracts to map tier-1 suppliers
- Consider multiple factors to assess on sustainability risks such as raw materials-/process-specific risk, sector risk, country risk, etc. Follow OECD guidance for responsible business conduct



**3 Add sustainability standards into contract and onboarding**

- Integrate evaluation of sustainability criteria in onboarding process: policies / procedures on human rights, occupational health and safety, Environmental management, etc.
- Integrate sustainability topics into onboarding training
- Audit high-risk suppliers 6 months after contract signed



**4 Maintain personal contact with major tier-1 suppliers**

- Establish long-term business relationships and have regular discussion on supply chain risk with high-risk suppliers
- Ask them to map their supply chain and provide transparency on ABB tier-2 or -3 suppliers



**5 Establish a network to be aware of risks**

- Establish contact with local NGOs and stakeholders to be aware of contextual risks and be warned of possible violations
- Contact ABB immediately in case of any suspected violence
- Track all subcontractors



# Documentation, inspections, reporting and corrective actions

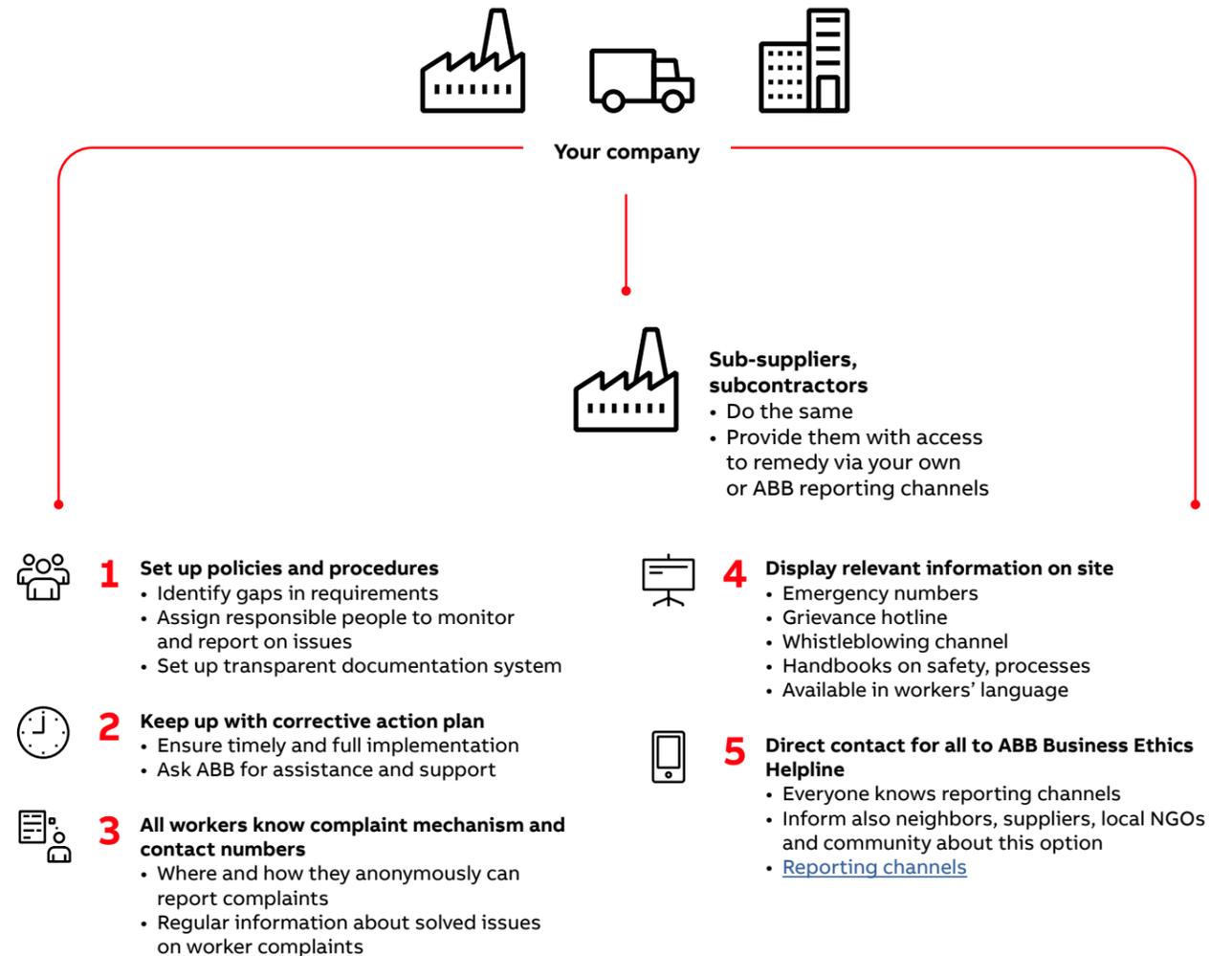
To ensure and demonstrate compliance with the ABB Supplier Code of Conduct, you will comply with all regulations and laws regarding public reporting or disclosure on human rights' due diligence, and produce and maintain all relevant documentation. You will report to ABB without undue delay in writing any identified risks to and violations of the principles outlined in the ABB Supplier Code of Conduct and take appropriate corrective actions to prevent or mitigate the risk or violation. We reserve the right to audit and inspect your operations and facilities, and interview workers at your site, to verify compliance.

| ABB's expectation  | How you can fulfill ABB's expectations  |
|--|---|
| <b>Comply</b> with all applicable legal and contractual requirements of the ABB Supplier Code of Conduct   | <ul style="list-style-type: none"> <li>• Have all relevant licenses available and up to date, including factory licenses, environmental licenses and permits, authorizations for hazardous waste, etc.</li> <li>• Create and maintain documentation relevant to the requirements, including supporting documents.</li> </ul>  |
| Effectively <b>communicate rights and obligations</b> to all employees   | <ul style="list-style-type: none"> <li>• Display all relevant emergency numbers, whistleblowing and grievance contacts so that they are visible to all, e.g., at workplace entrances, in the canteen and in changing rooms.</li> <li>• Proactively communicate rights and obligations to all employees and contractors through the most effective channels (e.g., in team/townhall meetings and on information boards) and in a language that they understand.</li> <li>• Make sure all new staff are trained and informed about ABB's requirements.</li> <li>• Maintain a list of all workers' training including the dates on which the training took place.</li> </ul> |
| <b>A senior manager monitors actions and reports actual or suspected violations immediately</b> to ABB: <ul style="list-style-type: none"> <li>• Collaborate with ABB on corrective actions</li> <li>• Ask for support, if needed</li> </ul> | <ul style="list-style-type: none"> <li>• Appoint a senior manager to monitor and report actual and potential violations of the Supplier Code of Conduct to ABB.</li> <li>• Ensure that procedures and clear action plans are in place to follow up on gaps.</li> <li>• Reach out to ABB for any support required in the implementation of corrective actions, including capacity building, training, improving management systems, etc.</li> <li>• Ensure that a direct contact to ABB is established for immediate reporting.</li> </ul>   |



## Documentation, inspection, reporting and corrective actions

Good practice



**Training:**

- All new staff receive training on ABB requirement; have this documented
- Check on ABB trainings and participate with workers



## Reporting concerns and access to remedy

In the context of our business relationship, if you, your employees or your suppliers believe that the terms of the ABB Supplier Code of Conduct are not being adhered to, or that ABB is not acting in accordance with its own ABB Code of Conduct, we expect and require you and your employees to raise your concerns via ABB stakeholder reporting channels.

You must provide reasonable assistance to any investigation by ABB of any potential violation and you must protect anyone who works for you, either as an employee or a contractor, from any form of retaliation for reporting suspected or actual violations.

You are expected to cascade information on this expectation and ABB reporting channels as appropriate within your organization and to your suppliers. Visit ABB's [integrity portal](#) to learn more about these reporting channels.

| ABB's expectation   | How you can fulfill ABB's expectations   |
|---|--|
| Establish a <b>safe culture</b> for potentially affected stakeholders <b>to raise concerns</b> <ul style="list-style-type: none"> <li>Grievance mechanisms (your own and/or ABB's) are legitimate, accessible, predictable, equitable, transparent and rights-compatible</li> </ul> | <ul style="list-style-type: none"> <li>Display phone numbers and e-mail addresses of reporting channels at central points in your company so people know where to raise concerns.</li> <li>Ensure that channels for neighboring communities to raise concerns and grievances are officially distributed, communicated and regularly updated.</li> <li>Guarantee anonymity for users of all channels and protection of employees who raise concerns.</li> <li>Regularly inform everyone about concerns raised and how they were addressed.</li> </ul> |
| Ensure <b>employees are aware of and know how to access:</b> <ul style="list-style-type: none"> <li>Your own <b>reporting channels</b></li> <li>ABB's reporting channels</li> </ul>   | <ul style="list-style-type: none"> <li>Regularly inform all employees about the purpose of raising concerns or grievances.</li> <li>Provide examples of workers' rights and how they can raise concerns. Local NGOs can provide helpful information or support, if needed.</li> </ul>  |
| Your <b>subcontractors and suppliers know</b> how to access ABB reporting channels  | <ul style="list-style-type: none"> <li>Communicate to your subcontractors and suppliers the possibility of using ABB reporting channels.</li> </ul>  |



## Glossary

This glossary explains important terms used in the ABB Supplier Code of Conduct and implementation guide. It is based on universally accepted definitions, which have been edited for clarity and ease of understanding.

**Child labor** is often defined as work that deprives children of their childhood, their potential or their dignity. It refers to work that is mentally, physically, socially or morally dangerous and harmful to children and/or interferes with their schooling. Child labor also refers to employment of children who are underage or who do excessively long and heavy or hazardous work as determined by the laws of a state.

**Conflict minerals** currently include the metals tantalum, tin and tungsten, which are derivatives of the minerals columbite-tantalite, cassiterite and wolframite respectively, and gold. They are often referred to as “3TG”. The term “conflict minerals” reflects armed conflicts for control of these resources, particularly in the eastern part of the Democratic Republic of the Congo and neighboring countries.

**Debt bondage**, also known as debt slavery or bonded labor, exists when laborers (sometimes with their families) are forced to work for an employer in order to pay off debts that may in some cases have been inherited. Workers may be in debt bondage even if they receive wages or other compensation.

**Employees** include any staff or personnel engaged or employed by a supplier, including temporary labor engaged via labor agents or agencies.

**Environmental Product Declarations (EPDs)** are defined by the ISO 14025 standard as Type III declarations that “present quantified environmental information on the life cycle of a product to enable comparisons between products fulfilling the same function.” More information about EPDs is available on the [International Organization for Standardization website](#).

**Full material disclosure (FMD)** refers to a comprehensive list of substances within a particular product or material, also known as

a Full Material Declaration. An FMD helps to determine product compliance against environmental regulations and directives such as the EU RoHS, EU REACH, California Proposition 65, the US Toxic Substances Control Act (TSCA), etc.

**Facilitation payments** are payments made to a public official to facilitate or expedite the performance of routine governmental action (e.g., processing papers, issuing permits) that the person or company making the payment is legally entitled to receive.

**Forced labor** (or compulsory labor) refers to situations in which persons are compelled to work against their will through the use of violence or intimidation, debt bondage (see above), retention of identity papers, excessive overtime or threats to report them to immigration authorities.

**Greenhouse gases** (GHGs) have a warming effect on the earth by trapping heat in the atmosphere. The Greenhouse Gas Protocol, which sets global standards to measure and manage GHG emissions, covers seven GHGs, including carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O), as well as gases used in industry, including hydro-fluorocarbons (HFCs), perfluorocarbons (PCFs), sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).

**Grievance mechanisms** are formal, legal or non-legal (or “judicial/non-judicial”) complaint processes that can be used by individuals, workers, communities and/or civil society organizations that are negatively affected by certain business activities and operations.

**Hazardous substances** have the potential to cause harm to humans, animals or the environment. The United Nations’ Globally Harmonized System of Classification and Labelling of Chemicals (GHS) classifies chemicals according to three types of hazard: physical/chemical (e.g., explosives, flammable gases), health (e.g., acute

toxicity, skin corrosion/irritation) and environmental (e.g., aquatic environment hazards, ozone layer damage).

**Human rights** refer to the basic rights and freedoms that belong to every person in the world, simply because they are human beings. They define the minimum standards necessary for people to live with dignity, freedom, equality, justice and peace. They are inherent to everyone, irrespective of race, gender, language, religion, political or other opinion, national or social origin, property, birth or status. The Universal Declaration of Human Rights, adopted by the United Nations General Assembly in 1948, establishes the fundamental rights and freedoms of all human beings.

**Human trafficking** refers to the recruitment, transportation, transfer, harboring or receipt of people through force, fraud or deception, with the aim of exploiting them for profit.

**Life cycle analysis (LCA)** measures the environmental impact of a product through its life cycle from cradle to grave, including raw material acquisition, production, use, end-of-life treatment, recycling and final disposal.

**Modern slavery** is an umbrella term covering practices such as forced labor, debt bondage, child labor, forced marriage, involuntary prison labor, victims of slavery and human trafficking.

**Responsible minerals sourcing** is the practice of procuring raw minerals in a way that respects human rights, protects human and environmental health, and combats forced labor, child labor, and human trafficking and slavery. It covers conflict minerals (see above) as well as other minerals

of concern, such as aluminum, cobalt, copper, lithium, mica and zinc.

**Science-based targets** are greenhouse gas reduction targets, set by companies, that are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement, which aims to limit “the increase in the average global temperature to well below 2 °C above pre-industrial levels” and “pursue efforts to limit the temperature increase to 1.5 °C.” More information is available from the [Science Based Targets initiative](#).

**Suppliers** refers to a third parties, including an individual contractors, that ABB engages to purchase goods and/or services and/or works.

**Sustainability**, or sustainable development, is an integrated approach that seeks to meet the needs of people in the present without compromising the ability of future generations to meet their needs. All of the topics in the ABB Supplier Code of Conduct fall under the umbrella of sustainability, including human rights, integrity and protection of the environment.

**Tier 1 suppliers** (or direct suppliers) are those with which a company does business directly, including parts manufacturers, service providers or staffing agencies.

**Tier 2 suppliers** (or indirect suppliers) are those that supply a company’s tier 1 suppliers.

**Vulnerable groups** are those that experience political, social or economic marginalization on the grounds of age, disability, ethnicity, gender, nationality, religion, sexual orientation or other characteristics.



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## References

### External sources

[Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal](#)

Classification of hazardous substances:  
[Classification of hazardous substances](#)

Conflict minerals:  
[Responsible Minerals Initiative](#)

[Convention on Biological Diversity](#)

[Greenhouse Gas Protocol](#)

[International Bill of Human Rights](#)

[International Labour Organization's \(ILO\) Declaration on Fundamental Principles and Rights at Work](#)

[ISO 14025:2006, Environmental labels and declarations](#)

[Minamata Convention on Mercury](#)

[OECD Guidelines for Multinational Enterprises](#)

[OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#)

[Rio Declaration on Environment and Development \(pdf\)](#)

[Science Based Targets initiative](#)

[Stockholm Convention on Persistent Organic Pollutants](#)

[United Nations Convention Against Corruption](#)

[United Nations Framework Convention on Climate Change](#)

[United Nations Global Compact](#)

[United Nations Guiding Principles on Business and Human Rights](#)

[United Nations Universal Declaration of Human Rights](#)

### ABB-specific sources

[ABB Reporting Channels](#)

[ABB Code of Conduct](#)

[ABB Human Rights Policy](#)

[ABB Supplier Code of Conduct](#)

#### Conflict/Responsible Minerals:

- [ABB Policy on Conflict Minerals 2023.pdf](#)
- [Responsible Minerals Sourcing](#)
- [Supplier Training on Conflict Minerals](#)

#### Prohibited and Restricted Substances:

- [ABB List of Prohibited and Restricted Substances](#)
- [Guide for Suppliers to the ABB List of Prohibited and Restricted Substances](#)



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**ABB**

Affolternstrasse 44  
8050 Zürich  
Switzerland

**[new.abb.com](http://new.abb.com)**