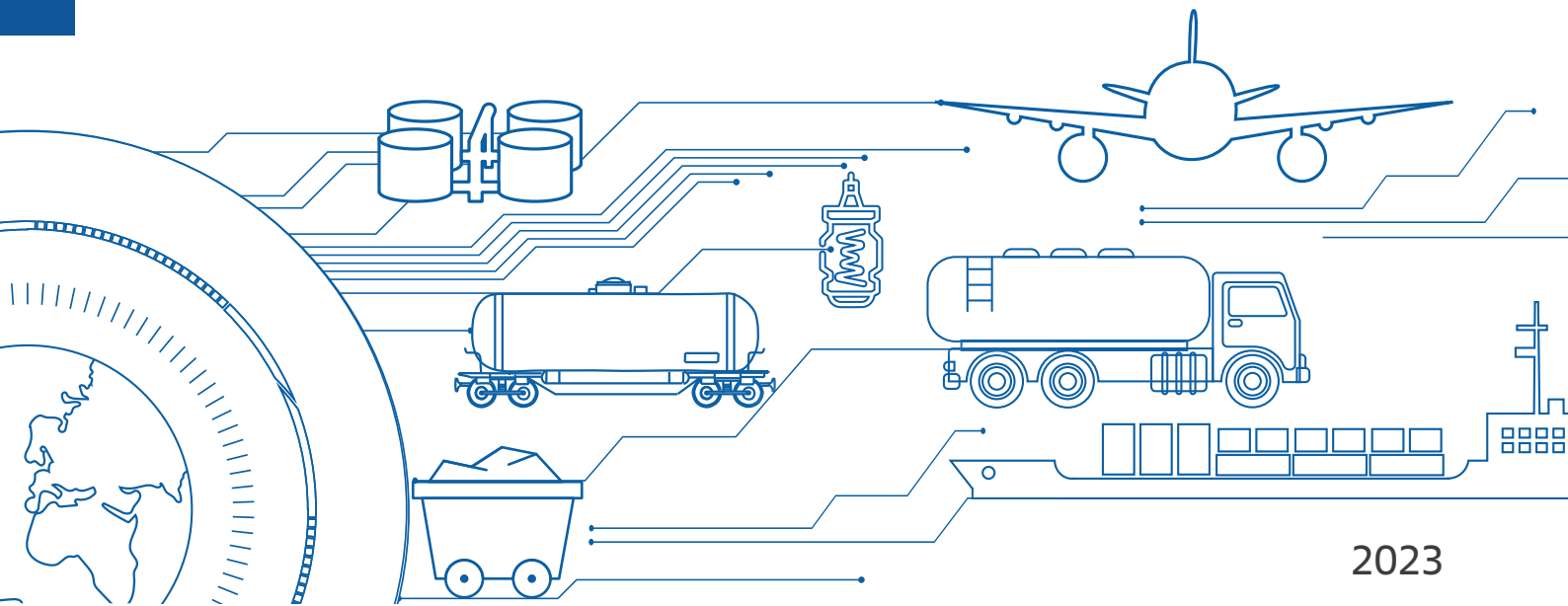




TENEX  
ROSATOM

# SUPPLIER CODE of CONDUCT

## TENEX Group



2023

# 1. TENEX MANAGEMENT APPROACHES



**1.1.** Taking into account the global agenda, TENEX, Joint-Stock Company<sup>1</sup> and its control circuit organizations (hereinafter referred to as “TENEX”, “The Group”) are consistently integrating the principles of sustainable development into their long-term activity strategy.

**1.2.** Full compliance with these principles is ensured through the systematization of management practices in various sustainability aspects, including formalization of responsibility, goal setting, establishing metrics and carrying out performance evaluation in accordance with them, internal audits and control of relevant processes.

**1.3.** The effectiveness of integrating the principles of sustainable development into the Group processes is ensured namely through employee engagement and awareness on sustainable development issues, as well as educational activities for employees and managers.

**1.4.** Guided by the principles of openness and respect for the interests of all stakeholders, the Group sticks to a scrupulous

approach to the management of its economic, social and environmental impacts. TENEX applies a risk-based approach to assessing impacts and strives to take preventive measures in order to mitigate and remediate negative effects.

**1.5.** Regarding sustainable development, TENEX focuses on the globally recognized documents, such as, first of all, the UN Universal Declaration of Human Rights, the Conventions of the International Labour Organization and the United Nations Global Compact.<sup>2</sup>

**1.6.** TENEX is committed to consistently promote the principles of sustainable development in the business and expert community, including by sharing best practices.

**1.7.** The present Supplier Code of Conduct (hereinafter referred to as “the Code”) formulates the basic principles of sustainable development which TENEX applies in its activities and conveys to the supply chain.

<sup>1</sup> Managing organization of the Sales and trading division of the Rosatom State Atomic Energy Corporation (ROSATOM).

<sup>2</sup> Since 2020, ROSATOM has become a member of the United Nations Global Compact. The principles and approaches to sustainable development management apply to all organizations of the industry through corporate procedures and regulatory documents, including the Unified Industry Policy on Sustainable Development of Rosatom State Atomic Energy Corporation.

## 2. PRINCIPLES OF SUSTAINABLE DEVELOPMENT OF TENEX

### 2.1. BUSINESS INTEGRITY



#### 2.1.1. Compliance with Legislation and Business Ethics

**2.1.1.1.** TENEX strictly complies with the requirements of the legislation of the regions of operation, international standards and agreements, follows the generally recognized standards of business ethics and is committed to the principles of fair competition. The relations of the Group with its stakeholders are based on the principles of justice and honesty.

**2.1.1.2.** Considering innovation as a strategically important tool for ensuring competitive advantages, TENEX takes all necessary

reasonable measures to protect the intellectual property rights of TENEX and third parties.

**2.1.1.3.** TENEX performs procurement activity in strict compliance with the legislation of the regions of operation, striving for maximum efficiency, justice and transparency of the procurement procedures.



#### 2.1.2. Anti-Corruption Policy

**2.1.2.1.** TENEX does not accept any form of corruption activity. The Group has built a system of economic security allowing efficient counteraction against bribery and corruption offences on all levels of management.

**2.1.2.2.** TENEX takes reasonable care and caution in order to prevent any actions or conditions, which can result in the conflict of interest, compromise the reputation of the Group or its

partners. In the event of a conflict of interest TENEX undertakes to analyze the situation in detail and carry out the necessary measures in order to resolve it.

**2.1.2.3.** TENEX works with bona fide suppliers and does not cooperate with companies involved in the supply of low quality or counterfeit products.



#### 2.1.3. Quality Management

**2.1.3.1.** The Group aims at ensuring maximum customer satisfaction while strictly adhering to applicable quality regulations. The quality management system of TENEX, Joint-Stock Company is certified for compliance with the standards of ISO 9001.

**2.1.3.2.** The Group ensures continuous improvement of the system of interaction with suppliers, aimed at the sustained enhancement of product quality, including through the

introduction of a unified methodological approach to the management and monitoring of non-compliances in the supply chain.

**2.1.3.3.** TENEX ensures security at each stage of the nuclear fuel cycle product supply chain, building the safety management system in compliance with the standards of ISO 28000.



#### 2.1.4. Transparency and Openness to Dialogue

**2.1.4.1.** In order to understand the expectations and needs of stakeholders, the Group performs regular interaction with them, focusing on generally accepted international standards, including the AA1000 series (AccountAbility).

**2.1.4.2.** TENEX provides the opportunity for stakeholders to submit requests, ensuring an efficient mechanism of considering and responding to them in a timely manner.

**2.1.4.3.** TENEX implements an information policy, providing stakeholders with material information about its activity and the established policies on sustainability aspects in due time and in full scale.

**2.1.4.4.** When publicly disclosing information on sustainable development, TENEX focuses on generally recognized reporting standards, including the GRI Standards (Global Reporting Initiative).

**2.1.4.5.** In addition, TENEX makes every possible effort to eliminate any possibility of unauthorised dissemination of confidential information, while maintaining reasonable balance between transparency and compliance with the commercial interests.

## 2.2. SOCIAL IMPACT



### 2.2.1. Human Rights

**2.2.1.1.** TENEX recognizes the inviolability of human rights, listed in the UN Universal Declaration of Human Rights, and excludes their infringement in the course of its activity.

**2.2.1.2.** The Group excludes any discriminative policy in its activity and guarantees adoption of any decision irrespective of race or skin colour, nationality or ethnicity, sex, age, religious confession or commitment, ownership of property, social

position or family status, political opinion, affiliation with public associations and social groups of any kind.

**2.2.1.3.** TENEX denies any form of child and forced labour, as well as any other forms of labor noncompliant with the international standards and legislation of the regions of operation.

### 2.2.2. Employees

**2.2.2.1.** The Group builds its relations with employees based on social partnership, solidarity of objectives and mutual respect, while strictly observing the employees' rights established by the legislation, including freedom of collective bargaining, freedom of association, respect for privacy, personal data protection, inadmissibility of sexual or any other forms of harassment.

**2.2.2.2.** TENEX encourages the employees' striving for productive and efficient labour, and fairly remunerates them for their work, ensuring an adequate compensation.

**2.2.2.3.** Considering the availability of qualified personnel as one of the key factors of business continuity, TENEX facilitates both the fulfilment of professional skills of the employees through participation in programs of training and skill enhancement, and their carrier development, while paying special attention to young employees.

**2.2.2.4.** The Social policy of the Group is aimed at meeting the key needs of the employees and ensuring rise in their living standards (including a stable benefits package: voluntary medical insurance, accident insurance and non-government pension insurance, etc.).

### 2.2.3. Occupational Safety

**2.2.3.1.** The Group implements an occupational safety policy, which stipulates the priority of life, health and well-being of workers.

**2.2.3.2.** TENEX provides safe labour conditions and protection of the employees' health while taking measures for the minimization of risks and prevention of threats of injuries, occupational diseases and the spread of infectious diseases. The occupational health and safety management system of TENEX, Joint-Stock Company is certified for compliance with the standards of ISO 45001.

**2.2.3.3.** TENEX configures labour conditions for the employees (including working schedule, working place, tools of labour, possibility of remote work) in compliance with the requirements of the legislation of the regions of operation.

**2.2.3.4.** TENEX ensures the continuous improvement of the safety culture, building on the principles of management leadership and safe conduct of all employees, ongoing employee training and implementation of best practices.

### 2.2.4. Local Communities

**2.2.4.1.** As part of the activities carried out in the regions of operation, the Group interacts and consults with local communities, including indigenous peoples, public and youth organizations, in order to ensure respect for their interests and prevent violation of their rights.

**2.2.4.2.** TENEX understands the significance of its contribution to the social well-being of the population of the regions of operation,

its responsibility for the economic impacts, including the creation of jobs and local procurement.

**2.2.4.3.** TENEX supports initiatives in the areas of economic, social and cultural development of the regions of operation and takes participation in the solution of socially significant problems, namely through social investments and philanthropic initiatives.

## 2.3. ENVIRONMENTAL IMPACT



### 2.3.1. Environmental Management

**2.3.1.1.** The environmental management system of TENEX, Joint-Stock Company is certified for compliance with the standards of ISO 14001.

**2.3.1.2.** TENEX observes the precautionary principle and implements an environmental policy aimed at minimizing the risks of negative environmental impacts in the regions of operation.



### 2.3.2. Safety

**2.3.2.1.** The Group acts in compliance with the requirements of the legislation of the regions of operation, including obtaining the necessary permit documentation and licenses.

**2.3.2.2.** TENEX ensures safe conditions for handling hazardous materials in compliance with the national and international norms of industrial, physical, environmental, nuclear and radiation safety.

**2.3.2.3.** The Group ensures the minimization of impact risks of its activities on the environment and the population of the regions of operation, in particular, through cooperation with enterprises that have established action plans to prevent and eliminate the consequences of emergency situations when handling hazardous materials.

**2.3.2.4.** TENEX has implemented a management system that meets the requirements of the standards of ISO 19443.



### 2.3.3. Environmental Impact

**2.3.3.1.** TENEX develops initiatives aimed at mitigating and compensating the environmental impacts, including impacts on the atmosphere, soil and water bodies.

**2.3.3.2.** TENEX pays particular attention to carrying out activities aimed at the preservation of flora and fauna in the regions of operation, including territories with a high value of biological diversity and protected areas.

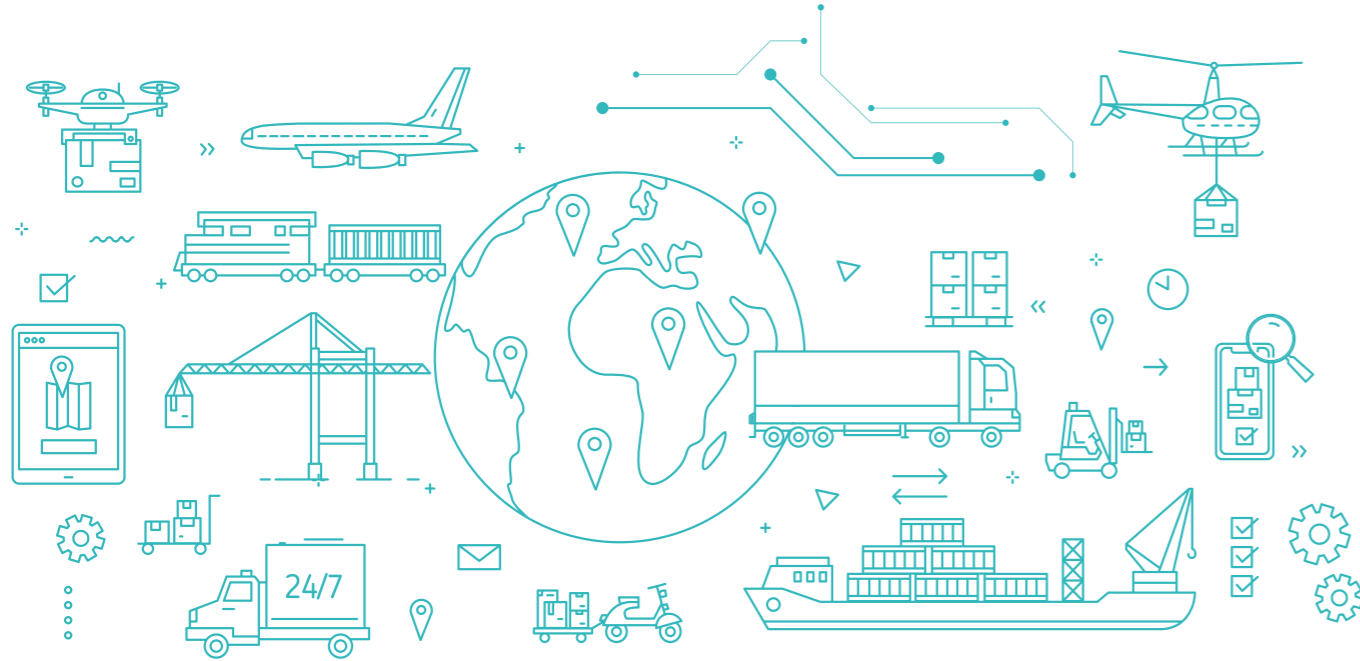
**2.3.3.3.** The Group recognizes the importance of the climate agenda, provides the assessment of its carbon footprint and seeks to reduce it, while focusing on the use of technologies with minimal greenhouse gas emissions and low-carbon energy

sources.

**2.3.3.4.** The Group recognizes the need for responsible and efficient use of natural resources and promotes technologies and products based on recycling (processing of waste for repeated use).

**2.3.3.5.** TENEX ensures the optimization of energy consumption through the adoption of modern energy saving technologies and organizational measures.

### 3. TENEX SUPPLY CHAIN



**3.1.** TENEX expects all the suppliers of the supply chain to adopt as guidance the applicable<sup>3</sup> provisions of the Code and to convey them to sub-suppliers.

**3.2.** TENEX relies on the suppliers to inform TENEX in case of contradictions between the current legislation of the supplier's region of operation and the principles of the Code and to carry out all possible measures in order to maximize compliance with the principles of the Code, taking into account the requirements of the current legislation of the region of operation.

**3.3.** TENEX does not set specific requirements for creating the supplier's corporate processes other than their efficiency in terms of responsible management of economic, social and environmental impacts.<sup>4</sup>

**3.4.** TENEX performs regular monitoring and assessment of suppliers' compliance with the provisions of the Code, by sending them special questionnaires, carrying out audits and examining public information. TENEX expects the suppliers to implement similar procedures with regard to sub-suppliers.

**3.5.** In order to build a constructive dialogue, TENEX expects the suppliers to inform TENEX of the occurrence of significant adverse events in terms of impact in the supply chain. TENEX undertakes to give advisory support to the suppliers when carrying out the analysis of the material non-compliances and working out measures for their elimination

<sup>3</sup> The inapplicability of the provisions of the Code must be substantiated.

<sup>4</sup> The international standards directly mentioned in the document are not mandatory for implementation by the suppliers and may be replaced by similar ones.

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**Contact Details of the Department responsible:**

Sustainable Development and Communications Department

e-mail: [SCD@tenex.ru](mailto:SCD@tenex.ru)

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