



Smart DCC
Supplier Code
of Conduct

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Introduction

At the DCC, we are committed to being a purpose-led business that prioritises long-term sustainability and positive social impact.

Our purpose is to make Britain more connected so we can lead smarter, greener lives. This is why, as an organisation built to accelerate decarbonisation for all, we strive to deliver positive impact through responsible, inclusive and sustainable practices.

Our Responsible Business Framework is the cornerstone of this commitment, guiding our actions, and ensuring that we deliver not only value for money, but also positive outcomes for our customers, communities, and the environment. We recognise that

ethical conduct, fair treatment and sustainability are shared responsibilities, and as we continue to grow, we aim to strengthen the relationships with our suppliers who play a vital role in helping us achieve our vision.

Responsible Business Framework:

In accordance with our Responsible Business Framework, this Supplier Code of Conduct (the 'Code'), updates and supersedes our Supplier Charter, setting out the expectations that guide our relationships with our suppliers. By working together with our suppliers, we aim to create lasting value while upholding the highest standards of ethical conduct and environmental stewardship.

Purpose and Overview

This Code outlines the minimum requirements suppliers and business partners are expected to meet in key areas of ethical conduct, environmental responsibility, human rights, and labour practices – domains identified as fundamental and of material significance to our company and supply chain, and which reflect our Responsible Business Framework.

We expect and require that our suppliers will cascade these minimum requirements throughout their supply chain. Minimum requirements are stipulated by the phrase 'Suppliers are required to', 'Suppliers must', or 'Suppliers must not'.

Additionally, the Code defines and includes initiatives and actions which we would 'encourage' or 'expect' of all suppliers, but which we will not consider as core requirements for compliance with this Code. These best practice recommendations will be indicated by the phrase 'Suppliers are encouraged to' or 'Suppliers are expected to'.

Compliance with all applicable laws and regulations is a fundamental obligation and underpins every aspect of this Code. Additionally, suppliers are expected to align with our core company values and policies, including any such policies with which they are bound to comply under their contracts with us.



Responsible

Be accountable for delivering our purpose to the highest standard.

- Operate to the highest security standards as defined by Critical National Infrastructure (CNI).
- Deliver value for money, with a focus on consumer benefit.
- Hold ourselves and our partners to the highest levels of integrity, governance, and performance.
- Leverage our technology for public good.





Inclusive

Act with integrity and deliver for customers, consumers and employees.

- Enable all eligible homes and businesses to get a smart meter.
- Use DCC skills to benefit local communities.
- Build a diverse and inclusive workforce through our Diversity and Inclusion strategy.
- Promote good health and wellbeing to employees.






Sustainable

Make a difference by reducing our impact on the environment.

- Roll out smart meters UK-wide, to drive decarbonisation.
- Act to reduce our scope 1-3 carbon emissions.
- Incorporate circular design principles into the approach for smart metering.
- Provide employees with sustainability training.






Responsible

“Be accountable for delivering our purpose to the highest standard”

This section outlines the standards of conduct we hold ourselves to and require of our suppliers and partners to ensure responsible, ethical, and resilient business operations across our supply chain. It includes principles of business integrity, transparency, and lawful practices, robust business continuity planning, responsible management of sub-contractors, and adherence to whistleblowing protocols.

1. Business Conduct & Integrity

- 1.1. Suppliers are required to adhere to a zero-tolerance policy toward all forms of bribery, corruption, and anti-competitive conduct, in compliance with applicable laws and regulations. We expect suppliers to maintain, regularly review and implement their internal policies, procedures, management, and training to ensure alignment with industry best practice, with the aim of preventing bribery, corruption, and anti-competitive conduct.
- 1.2. Suppliers are required to maintain transparent and accurate tax practices.
- 1.3. Suppliers must not initiate or encourage facilitation payments on behalf of DCC either directly or indirectly.
- 1.4. Suppliers must not indirectly or directly promise, offer, or give anything of value or undue advantage to a third party or public official to influence such party to act/refrain from acting in the performance of their duties.
- 1.5. Suppliers must not request, accept, or receive anything of value, or undue advantage from a third party, or public official to influence their actions, circumstances, factors, or relationships that could create a conflict of interest.
- 1.6. Suppliers are required to make DCC aware of any potential conflict of interest as soon as it is known.

- 1.7. Suppliers must implement risk management protocols, including, where applicable, internal audits.
- 1.8. Suppliers are expected to provide appropriate training to employees and your own supply chain partners on relevant laws, policies, and procedures.
- 1.9. Suppliers are required to respond to any due diligence requests from us in a timely manner.
- 1.10. Suppliers are expected to raise any genuine concerns about potential misconduct while doing business without fear of repercussion, via our 'Speak Up' facilities. More details on this provided in the 'Speak Up' section of this Code.
- 1.11. Suppliers are required to report any breaches of this Code as soon as possible to DCC. Where DCC becomes aware of a breach of the Code by the supplier, the DCC Risk Committee will review the breach and will propose a corrective action plan ('CAP'). Suppliers must assist DCC with any investigations of breaches, including any data-related breaches. DCC's preferred approach is always to identify and implement a CAP that is agreeable to both parties, before taking any action to terminate a business contract.

2. Money Laundering

- 2.1. Suppliers must not engage in money laundering under any circumstances and must take steps to prevent financial transactions being used to launder money by their staff, subcontractors, consultants, supply chain partners, and other entities with whom they contract.

3. Trade Sanctions

- 3.1. Suppliers are required to comply with all trade sanctions relevant for the engagement with DCC.

4. Data Privacy & Cyber Security

- 4.1. Suppliers are required to comply with applicable data protection and security legislation, including without limitation the UK General Data Protection Regulation (UK GDPR), the (UK) Data Protection Act 2018, the (UK) Privacy and Electronic Communications (EC Directive) Regulations 2003 (PECR) and the (UK) Data (Use and Access) Act 2025. Suppliers must have procedures in place to support and monitor this.
- 4.2. Suppliers must avoid the use of open-source components and/or software, including artificial intelligence (AI) and/or large language models (LLMs), unless agreed with DCC.

- 4.3. Suppliers are required to obtain DCC's prior written consent to the draft publication before any further distribution before sharing any information via social media channels and any other public forums, regarding your relationship with DCC.

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5. Business Continuity

- 5.1. Suppliers are required to regularly maintain and test business continuity plans to ensure operational resilience.



Inclusive

“Act with integrity and deliver for customers, consumers, and employees”

This section sets out our expectations around respecting human rights, and promoting diversity, equality and inclusion, contributing positively to communities, and ensuring the health, safety and wellbeing of all workers. We believe inclusive and respectful business practices not only strengthen relationships but also create long-term value for people and society. We ask our suppliers to embrace these principles in both their direct operations and throughout their own supply chains.

8. Human Rights

8.1. Suppliers are required to ensure that their operations and those of their supply chain partners meet the minimum requirements of the Ethical Trading Initiative (ETI) Base Code. The ETI Base Code is founded on the conventions of the International Labour Organization and is an internationally recognised code of good labour practice. It is viewed as a global reference standard and widely used as a benchmark against which to conduct social audits and develop ethical trade action plans. The ETI Base Code requirements include:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practised
- Regular employment is provided
- No harsh or inhumane treatment is allowed

These requirements define practices and behaviours required to implement effective human rights due diligence as described by the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-operation and

Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct.

8.2. Suppliers are required to meet all applicable legislative reporting requirements, including being legally compliant with the UK Modern Slavery Act 2015, and to adhere to the government’s guidance and requirements on publishing an annual modern slavery statement (as published in March 2019). Suppliers are encouraged to meet at least ‘Level 1’ requirements as set out in the UK government’s ‘Transparency in supply chains: a practical guide’ (as published in March 2025).

9. Social Value

9.1. Suppliers are encouraged to follow the National Themes, Outcomes and Measures (TOMs) 2021 Framework for Social Value Measurement Framework published by National Social Value Taskforce for creating and measuring social value, including the use of local suppliers, supplier diversity, and community engagement (such as volunteering and fundraising).

10. Diversity, Equity & Inclusion

10.1. Suppliers are required to maintain policies and procedures relating to prevention of harassment and discrimination.

10.2. Suppliers are encouraged to maintain policies and procedures relating to the promotion of diversity and inclusion.

10.3. Suppliers are encouraged to maintain, monitor, report, and understand their employee diversity data, including their Gender Pay Gap. Where national legislation mandates Gender Pay Gap reporting, such as when a supplier meets specific employee thresholds, compliance with such legal requirements is expected. Suppliers are expected to provide information on the results of those practices to DCC.

10.4. Suppliers are encouraged to identify opportunities for diverse supplier partnerships in sourcing activities.

11. Health, Safety & Employee Wellbeing

11.1. Suppliers are required to provide a safe and healthy working environment (physical, mental, and psychological) for employees, complying with all applicable health and safety laws and proactively managing workplace risks.

11.2. Suppliers are required to provide appropriate health and safety training for their employees and their supply chain.

11.3. Suppliers are required to put in place health and safety management systems and are encouraged to aim to attain ISO45001 certification.

11.4. When requested, suppliers shall be required to provide relevant statistics relating to health and safety incidents in the workplace to DCC. Below are the essential health & safety statistics for supplier reporting:

- Total Number of Incidents – All workplace health and safety incidents.
- Lost Time Injuries (LTIs) – Incidents resulting in time off work.
- Reportable Injuries – As defined by RIDDOR (e.g., fractures, amputations).
- Near Misses – Events that could have caused harm but didn’t.
- Fatalities – Any work-related deaths.
- Lost Time Injury Frequency Rate (LTIFR).
- Total Recordable Incident Rate (TRIR).



Sustainable

“Make a difference by reducing our impact on the environment”

As an organisation built to accelerate decarbonisation, we acknowledge the broader responsibility that we carry to not only operate in a way which propels this purpose, but to encourage environmental best practice throughout our supply chain.

For more guidance on Carbon Emissions & Energy refer to the Paris Agreement & SBTi.

12. Environmental Management

- 12.1. Suppliers are required to be compliant with all applicable environmental laws and regulations of the country or countries in which they operate.
- 12.2. Suppliers are expected to demonstrate their commitment to responsible environmental management via developing and enacting a methodology that will identify and mitigate any environmental risks.
- 12.3. Suppliers are expected to demonstrate a key focus on reducing adverse environmental impact and increasing positive environmental impact (wherever possible) through an evidenced sustainability and net zero plan.
- 12.4. Suppliers must strive to minimise any adverse environmental or climate impacts of their activities. This includes within their own supply chain, product manufacturing, and services.
- 12.5. Suppliers are expected to implement and maintain an environmental management system (EMS) to systematically monitor, manage, and reduce their operational environmental impact.
- 12.6. Suppliers are encouraged to achieve certification for this management system to ISO14001.

13. Carbon Emissions & Energy Use

- 13.1. Suppliers are required to understand, monitor, and seek to reduce both their carbon emissions and their energy use from non-renewable sources.
- 13.2. Suppliers are encouraged to set near-term carbon reduction targets aligned with the

Paris Agreement and/or Science Based Target Initiative (SBTi) as well as long-term net-zero targets.

14. Waste

- 14.1. Suppliers are required to implement responsible waste management practices in full compliance with all applicable legislation (e.g. WEEE). This includes the safe handling, reduction, and disposal of all waste types, with particular attention to hazardous and electronic waste, and alignment with best practices such as the Waste Hierarchy.
- 14.2. Suppliers are encouraged to adopt targets relating to diverting waste from landfill and report progress annually.
- 14.3. Suppliers are encouraged to follow circular economy principles.

15. Nature

- 15.1. Suppliers are expected to understand their impact on natural ecosystems and to take steps to avoid or mitigate adverse impacts on natural ecosystems, ensuring compliance with all applicable environmental protection and land use legislation.

16. Raw Materials

- 16.1. Suppliers of devices and other hardware to DCC are expected to implement a sourcing policy that governs the procurement of high risk raw materials and minerals, including tantalum, tin, tungsten, and gold (3TG), and lithium, cobalt, nickel, and graphite, in full compliance with all applicable laws and regulations, including the US Dodd Frank Act (Section 1502) and relevant EU legislation, such as the EU Batteries Regulation.
- 16.2. Such suppliers are expected to conduct appropriate due diligence, following the OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas, to avoid financing conflict or human rights abuses in high risk and conflict affected areas.

- 16.3. Suppliers are encouraged to provide DCC with information on the source of mined materials, including country of origin, to ensure compliance with this policy.

- 16.4. Suppliers are encouraged to seek opportunities to increase the use of recycled and/or certified responsibly sourced materials in all goods provided to DCC.

Compliance and Monitoring

Suppliers are required to comply with this Supplier Code of Conduct (the “Code”) at all times, in addition to all applicable laws, regulations, and contractual obligations. Compliance with this Code is a condition of doing business with DCC.

Monitoring and Assurance

DCC reserves the right to monitor supplier compliance with this Code on a proportionate and risk-based basis. Monitoring may be conducted by DCC or by third parties acting on DCC’s behalf and may include requests for information or evidence, supplier attestations, reviews, audits, or site visits. Suppliers must cooperate fully with such activities and provide accurate and timely information when requested.

Reporting of Breaches and Non-Compliance

Suppliers must promptly notify DCC of any actual or suspected breaches of this Code. Notification must

be made within five (5) working days of becoming aware of the issue, or sooner where required by law or contract.

Corrective Actions and Remediation

Where a breach is identified, suppliers must take appropriate corrective action and, unless otherwise agreed or contractually required, provide a corrective action plan within one (1) working month of the reported breach, including clear actions and timelines. Failure to report breaches, cooperate with monitoring activities, or implement agreed corrective actions will constitute a breach of this Code and may result in remedial action, up to and including termination of the contractual relationship

Whistleblowing

- Suppliers are required to establish secure and confidential channels for employees and supply chain partners to report unethical or illegal conduct.
- Suppliers are required to act in accordance with their legal, regulatory, and professional obligations.
- Suppliers are required to operate a non-reprisal policy, where a person raises a concern in good faith, whether the concern is proven or not.
- Suppliers are expected to promote an open and

transparent culture which encourages staff to report suspected wrongdoing.

- Suppliers and sub-contractors can use our ‘Speak-Up’ channel to raise concerns. Hotline: <http://www.safecall.co.uk/report>. Freephone telephone: 0800 915 1571.
- Suppliers can also raise concerns with the relevant regulator. Some useful guidance may be found at Whistleblowing: list of prescribed people and bodies – GOV.UK.

Additional Documents and Resources

We're committed to working in partnership with our suppliers to uphold the principles in this Code. To support this, we've provided additional resources and reference materials that offer further guidance and context. These documents reflect the legal

requirements we comply with, the frameworks we draw from, and the standards we strive to meet together. We encourage you to explore them and reach out if you have any questions or need support – this is a shared journey, and we're here to help.

Key DCC Documents:

- Responsible Business Framework:
<https://www.smartdcc.co.uk/about-dcc/responsible-business-framework>

Legal Frameworks and Accompanying Guidance:

- UK General Data Protection Regulation (GDPR):
<https://www.legislation.gov.uk/eur/2016/679/contents>
- UK Data Protection Act 2018:
<https://www.legislation.gov.uk/ukpga/2018/12/contents>
- UK Privacy and Electronic Communications (EC Directive) Regulations 2003 (as amended):
<https://www.legislation.gov.uk/uksi/2003/2426/contents>
- UK Data (Use and Access) Act 2025:
<https://legislation.gov.uk/ukpga/2025/18/contents>
- UK Modern Slavery Act 2015:
<https://www.gov.uk/government/collections/modern-slavery-bill>
- Transparency in Supply chains: A Practical Guide:
<https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide/transparency-in-supply-chains-a-practical-guide-accessible>
- Publish an Annual Modern Slavery Statement:
<https://www.gov.uk/guidance/publish-an-annual-modern-slavery-statement>

Best Practice Guidance:

- ETI Base Code:
<https://www.ethicaltrade.org/eti-base-code>
- UN Guiding Principles on Business and Human Rights:
https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct:
https://www.oecd.org/en/publications/2023/06/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_a0b49990.html
- OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas:
https://www.oecd.org/en/publications/2016/04/oecd-due-diligence-guidance-for-responsible-supply-chains-of-minerals-from-conflict-affected-and-high-risk-areas_g1g65996.html
- Prompt Payment Code:
<https://www.gov.uk/guidance/prompt-payment-policy>
- Social Value Portal (TOMS):
<https://www.socialvalueportal.com/>
- Gender Pay Gap Reporting: Guidance for Employers:
<https://www.gov.uk/government/publications/gender-pay-gap-reporting-guidance-for-employers>
- Paris Agreement:
https://unfccc.int/sites/default/files/resource/parisagreement_publication.pdf
- Science Based Target Initiative (SBTi):
<https://sciencebasedtargets.org/>
- Waste Hierarchy:
<https://assets.publishing.service.gov.uk/media/5a795abde5274a2acd18c223/pb13530-waste-hierarchy-guidance.pdf>

