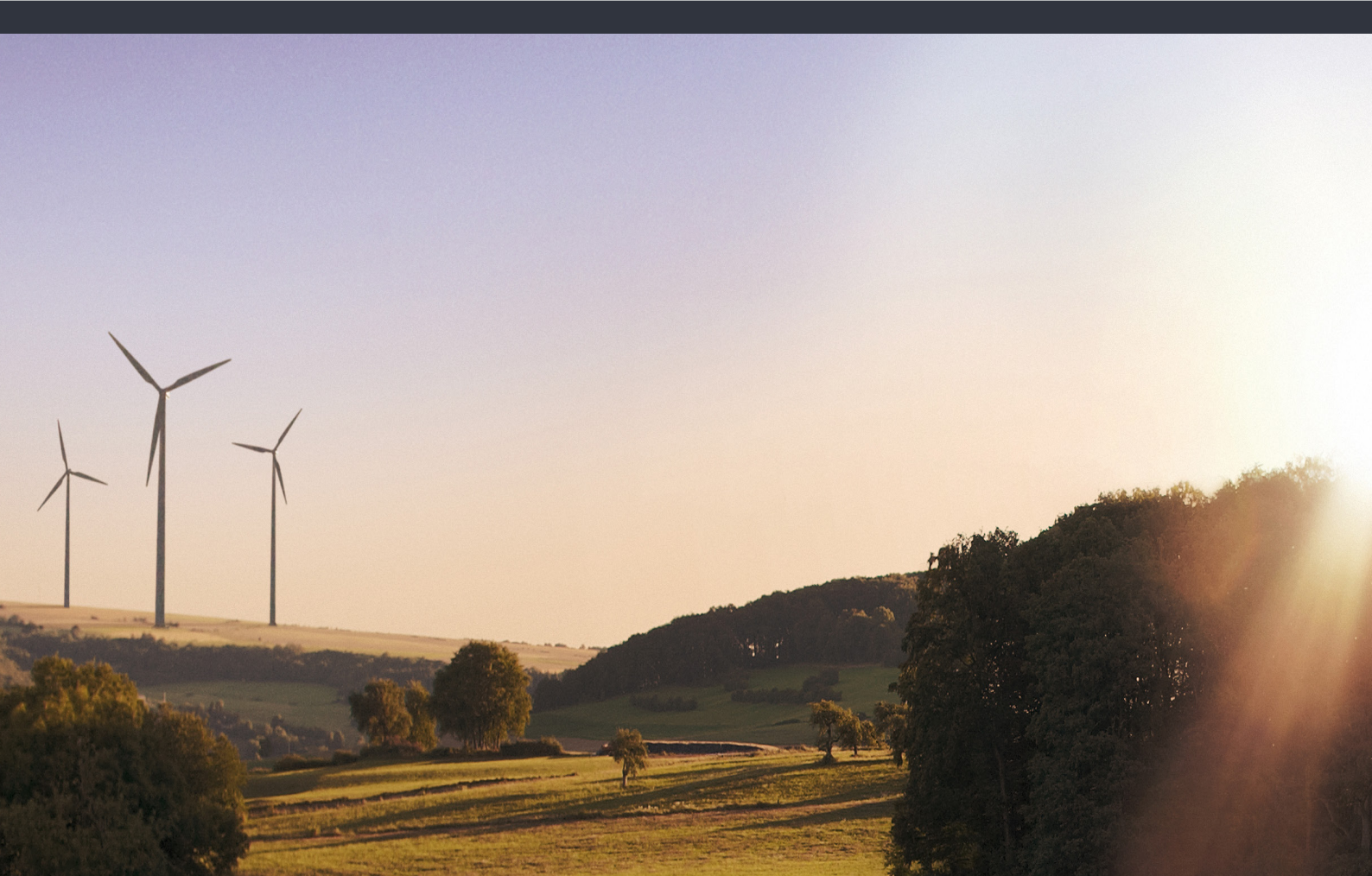




Supplier Code of Conduct



1. Preamble

Encevo S.A. is the holding company of Encevo Group with its companies providing products and services along the utilities value chain. For details on our group structure and its companies, pls. refer to our Annual Report available on our website www.encevo.eu.

Shareholding:

With 28 % of the parts, the State of Luxembourg is the major shareholder of Encevo S.A. The City of Luxembourg holds 15.61 %, the "Société Nationale de Crédit et d'Investissement" (SNCI) holds 14.20 % and the "Banque et Caisse d'Épargne de l'Etat" (BCEE) holds 12 % of the share capital. The other main shareholders are China Southern Power Grid with 24.92 % and POST Luxembourg with 4.71 % of the shares.

Encevo Group is committed as a Group to consider all sustainable development aspects in the field of its purchases and all connected subcontracting processes in relation to third parties. Within this Code of Conduct, Encevo Group promotes the main principles of sustainable development with its suppliers, contractors, subcontractors and service providers (hereinafter: "Suppliers").

Suppliers are required to comply with all laws and regulations applicable to their business, wherever conducted, and with this Code of Conduct. Compliance includes conducting business in a way that fulfils ethical responsibilities.

Suppliers must comply with the present Code of Conduct or local law, whichever is more restrictive. The Encevo Group expects Suppliers to demonstrate high ethical standards and to avoid activities that suggest even the appearance of impropriety.

The Encevo Group follows the UN Compact Global Principles – for details, please see important facts on this compact in ANNEX 1 and the principles in a nutshell in ANNEX 2

2. Definitions

- "Service Provider": The firm providing proposals for the supplies of services requested under this RFP,
- "Subcontractor": The firm executing the services requested under the RFP and awarded to the Service Provider in the form of a subcontract with the Service Provider,
- "Supplier": A party that supplies goods or services. A supplier may be distinguished from a contractor or subcontractor, who commonly adds specialized input to deliverables.
- "Contractor": Independent entity that agrees to furnish certain number or quantity of goods, material, equipment, personnel, and/or services that meet or exceed stated requirements or specifications, at a mutually agreed upon price and within a specified timeframe to another independent entity called contractee, principal, or project owner.

3. Regulations

In addition to the provisions presented within this Code of Conduct, the Supplier and its subcontractors shall comply with, and on top of this, develop their own operations in compliance with applicable international, European and national regulations.

Encevo Group in particular demands that the following international Conventions are complied with:

- the United Nations (UN) Universal Declaration of Human Rights (www.un.org),
- the Conventions of the International Labour Organization (ILO) (www.ilo.org),
- the Guiding Principles of the Organisation for Economic Co-operation and Development (OECD) (www.oecd.org).

4. Commitments

The Supplier and its subcontractors shall make all efforts and endeavours needed endeavour to respect and implement all commitments set out in this Code of Conduct and shall ensure that their own suppliers and subcontractors also respect them.

5. Labour & Human Rights Standards

Suppliers and its subcontractors are committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the UN Global Compact Principles 1,2,3,4,5 & 6 and proclaimed under the Universal Declaration of Human Rights and the International Labour Organization's core Conventions. More particularly, Suppliers are committed to:

- Support and respect the protection of internationally proclaimed human rights, fight against forced labour, child labour or any other form of compulsory labour. (UN Global Compact Principle 1, 4, 5)
- Ensure that they are not complicit in human rights abuses. (UN GC Principle 2)
- Uphold the freedom of association and the effective recognition of the right to collective bargaining in accordance with applicable laws. (UN GC Principle 3)
- Treat employees with respect and provide a workplace free of harassment or abuse of any kind, harsh and inhumane treatment, unlawful practices or discrimination. (UN GC Principle 6)
- Treat employees fairly with respect to reasonable working hours, periodic leave and remuneration for the work performed. Employees must receive contracts in which their working hours and compensation are specified.
- Protect employees' life and health, as well as the public at large against hazards inherent to business processes and products.
- Provide employees with on-going training on occupational safety regulations.
- Prevent any form of discrimination affecting access to employment and relating to a person's gender, race, religion, age, disability, sexual orientation, political opinion, nationality or social or ethnic origin, in accordance with ILO convention No 111.

6. Environmental Standards

Environmental responsibility is an integral part of the Encevo Group business strategy. Therefore, Suppliers and their subcontractors are committed in particular to:

- Support precautionary approach to environmental challenges. (UN GC Principle 7)
- Promote the safe and environmentally sound development, manufacturing, transport, use and disposal of your products and technologies. (UN GC Principle 8, 9)

- Comply with all applicable environmental regulations and laws.
- Ensure that product quality and safety meet the applicable requirements by using appropriate management systems.
- Use resources efficiently, apply energy-efficient and environmentally friendly technologies to reduce waste, as well as emissions to air, water and soil.
- Limit waste and emissions generated by their activity; Waste of all types should be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, using materials substitution, conservation, recycling and re-using materials.
- Strive to act and produce their products in an ecologically responsible manner; Strive to preserve natural resources, particularly to apply a policy of reducing their packaging and energy consumption.

7. Ethical and Moral Business Standards

The relationship between Encevo Group and its Suppliers is part of a collaborative approach based on respect, honesty, trust, fairness, integrity and transparency. To ensure that these principles are complied with, Suppliers and their current and potential subcontractors commit themselves to:

- not practice or tolerate any form of corruption, extortion, bribery or embezzlement. (UN GC Principle 10)
- Conduct business in line with fair competition and in accordance with all applicable anti-trust laws.
- Ensure that all employees and business partner's privacy and valid intellectual property rights are protected.
- Enable employees and other stakeholders to report concerns or potentially unlawful practices at the workplace.
- Refrain from any form of money laundering activities.
- Maintain all standards of fair business, advertising and competition using appropriate means to safeguard customer information at all times (pls. refer to specific GDPR Annexes where applicable).
- Avoid any situations where there is a real or potential conflict of interest with Encevo Group and/or its employees.

8. Health and Safety in the Workplace

The Supplier and its subcontractors shall do everything in order to reduce the risk of injuries and to limit activities involving a health risk as much as and where possible. They shall implement a proactive accident reduction and prevention policy and invest in systems enabling them to identify and avoid any threat to the health and safety of their staff.

Occupational Safety

Suppliers are expected to have procedures in place to minimize potential safety hazards from chemical, biological or physical agents. Personal protective equipment shall be provided when appropriate. Workers shall not be disciplined for raising safety concerns. Suppliers will comply with all applicable quality, health, safety and environmental regulations. All required permits, licenses and registrations will be obtained, maintained and kept up-to date. Emergency plans and response procedures must be in place.

Physically Demanding Work

Suppliers are expected to have in place procedures and systems to identify, evaluate and control worker exposure to the hazards of physically demanding tasks.

Machine Safeguarding

Suppliers are expected to evaluate machinery for safety hazards. Where machinery presents an injury hazard to workers measures must be taken to install safety precautions on the equipment. This equipment must be properly monitored and maintained.

9. Implementation

The Supplier Code of Conduct applies to all Suppliers from which the Encevo Group purchases and outlines the key elements that are deemed to be the most relevant for its Suppliers. The Suppliers ensure that the Supplier Code of Conduct is implemented and complied with. The Encevo Group is willing to work together with and support its Suppliers with a view to ensuring that they comply with the above-mentioned standards.

Suppliers shall inform the Encevo group CSR Coordinator (csr@encevo.eu) if any situation develops that might cause the Supplier to act in violation of this Code of Conduct.

For the purpose of properly implementing this Code of Conduct, the Group or its subsidiaries may request

its Suppliers, for example, to:

- complete a self-assessment questionnaire based on the principles of this Code of Conduct;
- provide a copy of all information, policies and procedures demonstrating that the principles of this Code are passed on to their subcontracting chain;
- report on efforts made and performance achieved to ensure compliance with this Code;
- provide, on request, the information necessary for the Group to draw up its sustainable development report. The Supplier guarantees the reliability of the information transmitted in compliance with the formats and deadlines indicated.
- receive, and as far as possible, to have its own Suppliers receive auditors who may be appointed by the Group or its subsidiaries to verify the proper application of this Code.

If there is a reason for concern, the Encevo Group reserves the right to conduct audits or assessments to ensure compliance. If the Supplier cannot demonstrate its adherence to the Supplier Code of Conduct or in case of violations of the Supplier Code of Conduct, the Encevo Group reserves the right to respond in a manner that depends on the seriousness of the violation. In the case of serious violations of the Supplier Code of Conduct, the Encevo Group reserves the right to terminate the contract with immediate effect.

In case of any questions or doubts in relation to the compliance with this Code of Conduct, please do not hesitate to contact us by email to csr@encevo.eu.

10. References

1. The Ten Principles of the UN Global Compact: <https://www.unglobalcompact.org/what-is-gc/mision/principles>
2. United Nations (UN) Universal Declaration of Human Rights: <http://www.un.org>
3. The Conventions of the International Labour: <http://www.ilo.org>
4. Guiding Principles of the Organisation for Economic Co-operation and Development (OECD): <http://www.oecd.org>

ANNEX 1

- Important questions about UN Global Compact (UNGC)

WHAT IS THE UNGC?

The UN Global Compact is a strategic policy initiative, developed by the United Nations, for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anticorruption.

The Compact is a practical framework for the development, implementation, and disclosure of sustainability policies and practices, offering participants a wide spectrum of workstreams, management tools and resources designed to help advance sustainable business models and markets.

WHY WAS IT CREATED?

As social, political and economic challenges (and opportunities) affect business more than ever before, many companies recognise the need to collaborate and partner with governments, civil society, labour and the United Nations.

WHO IS IT FOR?

The Compact is a leadership initiative, involving a commitment by a company's Chief Executive Officer (or equivalent) and supported by the highest-level governance body of the organisation (e.g. the Board). It is intended for all businesses irrespective of size.

WHEN WAS IT DEVELOPED?

The Compact was first announced by the then UN Secretary-General Kofi Annan in an address to The World Economic Forum on January 31, 1999, and was officially launched at UN Headquarters in New York on July 26, 2000.

WHAT DOES IT MEAN TO BE A SIGNATORY TO THE UNGC?

Participation in the Compact is a widely visible commitment to the implementation, disclosure, and promotion of its ten universal principles. A company joining the initiative is expected to:

- integrate the Compact and its principles into business strategy, day-to-day operations and organisational culture,
- incorporate the Compact and its principles into the decision-making processes of the highest-level governance body (e.g. the Board)
- contribute to broad development objectives (including the Millennium Development Goals) through partnerships,
- declare through its annual report (or equivalent document) a description of its
 - activities in support of the principles,
 - publicise the Compact, and the case for responsible business practices, through
 - advocacy and active outreach to peers, partners, clients, consumers and the public at large.
 - Companies of all sizes are encouraged to sign up and file an annual communication on progress (COP).

IS THE UNGC A LEGAL REQUIREMENT?

The Compact is not a regulatory instrument but is instead a voluntary initiative whose goals are intentionally flexible. The Compact itself states that once companies have declared their support for the Compact principles "This does not mean that the Global Compact recognises or certifies that these companies have fulfilled the Compact's principles." Each company is expected to demonstrate adherence to the Global Compact principles.

ANNEX 2

- UN Global Compact Principles

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

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