

skarta



Supplier Code of Conduct

04/09/2024

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1. Intention and Scope

The intention of this Supplier Code of Conduct is to establish basic principles and ethical standards of business behaviour through the implementation of the same responsible operating principles throughout the supply chain of Skarta Energy and to help Skarta Energy create long-term cooperative relationships with the suppliers to share the same values and responsible operating methods.

High ethics is one of Skarta Energy core values and Skarta Energy's Code of Conduct is also reflected in this Supplier Code of Conduct.

This Supplier Code of Conduct is therefore made available to our suppliers with the goal of strengthening our mutual understanding of how sustainability should be practiced in day-to-day business.

A supplier, in this context, can be defined as an entity providing Skarta Energy with any material, equipment, goods, commodities and/or service.

2. Expectation and implementation

All Skarta Energy's Suppliers and their Sub-suppliers must share and commit to the principles set out in this Supplier Code of Conduct. Moreover, suppliers must replicate these standards further down the supply chain. Commitment to and compliance with Skarta Energy

Supplier Code of Conduct are included in the minimum requirements for supplier approval.

Suppliers are expected to self-monitor their compliance with this Supplier Code of Conduct. Furthermore, Suppliers should ensure the compliance of their own subcontractors and must notify Skarta Energy in a timely manner of any noncompliance.

3. Meeting Legal Obligations

Skarta Energy conducts its business in compliance with applicable laws and regulations, for example in relation to governance, the environment, human and labour rights, communications and disclosures, insider trading and market abuse, anti-bribery, anti-corruption, anti-money laundering, data protection, tax law and financial industry standards. Skarta Energy expects comparable compliance of its Suppliers.

4. Ethical Business Conduct

The Supplier shall ensure good business practices in all its business activities and comply with the law and regulations applicable to its operations.

To prevent all unethical business practices, Skarta Energy expects that its Supplier has the necessary processes and guidelines in place, implemented and trained for all parties acting on its behalf. The Supplier

shall have a grievance and reporting channel in place that also enables anonymous reporting.

Anti-corruption and anti-bribery

The Supplier shall have zero tolerance towards corruption and bribery. An employee may not offer, give, or receive any gift or payment that is or may be construed as a bribe. Any request or offer of bribery shall be immediately rejected and reported to management. The Supplier shall ensure that all parties acting on its behalf comply with the same principles.

Conflict of interest

The Supplier shall avoid and prevent all possible conflicts of interest with Skarta Energy and with its other business partners. The Supplier shall inform Skarta Energy immediately when they detect a conflict of interest.

Anti-trust, anti-money laundering and trade compliance

The Supplier shall compete in a fair manner in compliance with applicable anti-trust laws and regulations on anti-money laundering and applicable economic and trade sanctions.

Data privacy

The Supplier shall protect all confidential information provided by Skarta Energy or other parties and comply fully with data security legislation including the GDPR 2016/679 (General Data Protection Regulation 2016/679).

Confidential information

The supplier shall respect the confidential information of companies and individuals and treat all confidential information with due care. The supplier will only use confidential information for legitimate business purposes.

5. Environmental responsibility

Skarta Energy expects its Suppliers to be aware of the environmental impact and environmental risks of their activities and strive to minimise the adverse effects of their activities.

The Supplier should implement a precautionary approach towards their relevant environmental impacts and issues, and implement remediation, mitigation, and management activities for them.

The Supplier shall, as applicable to identify, measure, and monitor their environmental impacts and risks relevant to their industry, which include but are not limited to greenhouse gas emissions and energy consumption; pollution prevention and waste reduction; hazardous substances; water consumption; air and water emissions and reduction; resources use; and biodiversity and nature protection.

The Supplier should take immediate action to address any activities within their sphere of influence that may be harmful to the environment and to take measures to remedy the situation and minimise the risks.

The Supplier should aim to reduce the carbon dioxide emissions from their own activities by increasing the carbon neutrality of their energy sources and other purchases and by improving energy efficiency.

6. Labour and human rights

Skarta Energy expects suppliers to adhere to the requirements of UN Guiding Principles on Business and Human Rights, the OECD Guidelines on Multinational Enterprises, and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work, the eight ILO core conventions, and the International Bill of Human Rights. Suppliers should immediately address any activity within their sphere of influence that violates or may violate human rights and to take measures to remedy the situation and minimise the risks.

Prevention of child labour

The Supplier must not use child labour. This includes anyone younger than the age of 15 other local legal minimum age for employment, whichever is highest. The employment of young workers over the minimum age but under the age of 18 must comply with legal restriction and must never jeopardise their health, safety, education or moral.

Prevention of forced labour

The Supplier must not use any form of forced or involuntary labor or participate in human trafficking in any way at any stage of its supply chain. Employees must not be required to surrender identity card, passports, work permits, or any other unreasonable deposits, or to pay

recruitment fees as a condition of employment. Employees must be free to leave work or terminate their employment upon reasonable notice. Migrant workers, if any, must be hired through recruitment practices which comply with laws and regulations in both source and destination countries.

Equality, diversity and inclusion

The Supplier shall treat all its employees equally with respect and dignity and ensure that none of its employees faces physical, verbal, psychological or sexual harassment or abuse.

All employees of the Supplier, regardless of the employee's race, nationality, social background, disability, sexual orientation, political or religious belief, and gender or age, shall be treated in accordance with their abilities and qualifications in all work-related decisions. These include, but are not limited to, hiring, career growth and commissions.

The Supplier should promote equality of opportunity and remuneration, ensure an inclusive workplace, where appropriate support disadvantaged workers, and refrain from practicing discrimination in the workplace.

Work contracts and terms of employment

The Supplier shall validate employees' legal status to work before establishing employment. The written contract or legal document, drawn up in a language understood by the employee, must indicate the terms and of employment. The supplier must ensure that employees have understood the content of the document and received a copy of the

document. Termination of employment shall be fair and comply with the applicable legislation.

Working hours, rest, wages and benefits

The Supplier shall comply with applicable laws and regulations on working hours, minimum wages, overtime, breaks, rest time, sick leave, annual holidays, parental leave, and mandatory benefits. Supplier will also appropriately record these metrics.

Freedom of association and collective bargaining

The Supplier shall protect employees who exercise their legal rights related to freedom of association, collective bargaining, and peaceful assembly.

7. Health and Safety

Health and safety workplace

Suppliers should be committed to creating a healthy and safe work environment that prevents occupational injuries and illnesses. The Supplier shall at least comply with the minimum standards according to national and local laws and regulations regarding the work environment.

Health and safety training and communication

The Supplier should always provide safety training to their employees, where appropriate, and recognise that their employees have the right to stop unsafe work. All health and safety signs, instructions, and documentation must be drawn up in a language understood by the employees, and translation shall be provided if necessary.

Emergency preparedness and prevention

The Supplier shall be prepared for emergencies. These include, but are not limited to, appropriate emergency procedures, instructions, training and equipment.

Health and safety management

An occupational safety management system or other equivalent system in accordance with ISO 45001 shall be in place. Clear procedures shall be in place to identify, manage, record, and report occupational accidents, near-miss incidents and safety observations. The Supplier shall take corrective actions to eliminate causes and prevent a further occurrence.

The Supplier shall conduct occupational health and safety risk assessments on a regular basis. The Supplier must identify work-related hazards and take measures to minimise occupational health and safety risks. Employees shall never be disciplined for raising safety concerns or refusing to work in an unsafe environment.

8. Product safety

All products and services must meet the quality and safety requirements specified in the contracts, as well as all the requirements of the legislation. The Supplier must take care of hygiene risks and product safety risks throughout the supply chain. The Supplier shall use raw materials of known origin and ensure the traceability of raw materials and finished products. The Supplier shall ensure that the delivered products are safe for humans and the environment when used appropriately.

9. Conflict-affected and other high-risk areas

Suppliers shall assess whether their own operations, their suppliers or sub-suppliers are located or source from conflict-affected or other high-risk areas.

Where operations or sourcing from conflict-affected or other high-risk areas are identified, the supplier should adapt enhanced due diligence measures suited to the specific contexts and should take steps to monitor its business relationships, business transactions, flows of funds and resources to ensure that they are not linked to providing funding or support to armed actors who may benefit from revenues generated by the sale of such goods and services.

Suppliers of tin, tungsten, tantalum, gold, and other conflict minerals shall make a reliable determination of the origin and source of such minerals. In the case these minerals are produced in or sourced from conflict-affected areas an enhanced due diligence mechanism shall be undertaken by the supplier.

10. Sanctions

The European Union and the United Nations have imposed and may impose sanctions in the future through their legislation and/or through the decisions of their institutions. The supplier declares that the above sanctions have not been imposed Vendor Members of the administrative, management or supervisory body of the supplier or persons exercising powers of representation, decision or control, to the direct or indirect owners of the supplier, to subcontractors involved in the supply of products or services, the members of the administrative, management or supervisory body of those subcontractors or the persons exercising powers of representation, decision or control over the subcontractors concerned, and the direct or indirect owners of those subcontractors. The Supplier undertakes to notify the Client immediately if sanctions are imposed on any of the parties referred to above. In addition, the Supplier undertakes that its activities or the use of products or services produced by the Supplier and its subcontractors do not violate the aforementioned sanctions.

11. Embracing Skarta Energy Supplier Code of Conduct and raising concerns

The Supplier is expected to implement mechanisms to identify, determine and manage risks in all areas addressed by this Supplier Code of Conduct and with respect to all applicable legal requirements.

The Supplier will establish appropriate training measures to allow their managers and employees to gain an appropriate level of knowledge and understanding of the contents of this Supplier Code of Conduct, the applicable laws and regulations and generally recognized standards.

Skarta Energy expects that actions inconsistent with this Supplier Code of Conduct are corrected promptly. If such inconsistencies are not corrected, Skarta Energy may at the utmost choose to terminate the existing business relationship. All misconducts against this Supplier Code of Conduct needs to be solved without delay. Skarta Energy supports the Supplier in its long-term work to improve its operations in relation to the principles of this Supplier Code of Conduct. Skarta Energy does not accept any kind of retaliation against an employee who reports a misconduct to the best of his/her knowledge.

Skarta Energy's Suppliers and their employees are expected to report potential misconduct or violations of this Supplier Code of Conduct or

Skarta Energy's Code of Conduct. Suppliers can raise their concerns to their Skarta Energy contact person or through our whistleblowing channel. Skarta Energy will investigate any concern raised. The Supplier shall fully commit to cooperate and assist with investigation and provide access to all information necessary for the investigation.

Applicability

As a Skarta Energy's Supplier, we as the Supplier sign this document to assure that we including our subcontractors are committed to the requirements of this Supplier Code of Conduct.

Acknowledged and approved:

Place and date: _____

Company: _____

Signature(s): _____