

Edition 1
Revision 0
Internal and
External use

SUPPLIER CODE OF CONDUCT



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Revision 0

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Legal Framework
Regulations



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1. INTRODUCTION AND PURPOSE

The purpose of this Supplier Code of Conduct is to establish clear and consistent expectations for all Electromontaj (EM) Suppliers regarding ethical business practices, compliance with laws, environmental sustainability, labor standards, and other important factors. This document serves as the foundation for our future and ongoing Supplier relationships and ensures that we work with partners who align with our values and standards.

At EM we design, manufacture and build real solutions and provide reliable services that make connections possible for our customers. While that is what we do, EM is much more than that. We strive to make a difference. That is our culture. We are laser-focused on taking care of our customers, and we are just as committed to helping our communities, our deeply rooted values drive the way we do business, and we live by them each day. These values reflect our commitment to sustainable development and guide us in conducting our business in an ethical and upright manner while operating with integrity and ensuring ethical business practices are followed internally and across our value chain.

Our Core Values serve as the foundation for the work we do, what we stand for and how we conduct ourselves with our employees, customers and suppliers. As a supplier, you serve as an extension of our value chain and our commitment to working with integrity and strict adherence to ethical business practices and you play a vital role in the way we conduct our business and deliver value to our stakeholders.

Using our Core Values and Internal Code of Conduct as the guiding principles, this Supplier Code of Conduct has been developed to establish expectations for ethical behavior across our supply chain. Suppliers are expected, in all their activities, to maintain high ethical standards, act with integrity, and operate in full compliance with applicable laws, rules and regulations of the countries in which they operate. We require our suppliers to commit and act in accordance with the requirements under this Code and extend similar standards to their supply chain partners. Our procurement practices are designed to work collaboratively with our suppliers through a continuous improvement approach. By working together with our Suppliers, we can provide sustainable solutions to our customers and embed sustainability in supply chains as well as the wider transport and logistics industry.

EM counts on your commitment and support to continuously adopt and promote responsible business practices. We also encourage you to go beyond compliance and strive for higher standards of sustainability.

2. IMPLEMENTATION

The Code applies to all EM's Suppliers. For the purposes of this Code, 'Suppliers' refers to Suppliers and sub-contractors, agents, consultants and their respective affiliates which provide goods and/or services to EM. Our Suppliers are required to acknowledge and



commit to the adherence of the responsible business principles as outlined in this Code. We assess our Suppliers' compliance with this Code through a combination of audits, self-assessments, and documentation reviews through our Sustainable Procurement Program. Suppliers should address any gaps in the implementation of this Code by establishing and implementing a time-bound improvement plan in consultation with EM. Periodic reviews and follow-up audits as per our internal risk procedures are conducted to monitor compliance levels. We are committed to working with our Suppliers on their compliance and sustainability journey and expect full transparency as a foundation for our business relationships.

Suppliers must establish Corrective Action Plans (CAPs) if sustainability deficiencies are found, with defined timelines for resolution. EM will introduce a Supplier Sustainability Scorecard to track compliance with environmental, labor, and ethical standards, evaluating areas such as carbon footprint, waste reduction, and ethical sourcing.

We expect and encourage our Suppliers to develop and implement relevant management systems, appropriate for a company of their size and industry, to ensure compliance with applicable laws and regulations and the requirements of this Code of Conduct. We further expect our Suppliers to implement the principles and standards of this Code or similar internationally recognized standards in their own supply chain, including in their relationships with their suppliers, contractors, and joint venture partners.

The underlying objective of this Code is to establish a basis for a positive development of sustainable procurement practices through regular dialogues and ongoing working relationships. However, in case of violations of the Code we reserve the right to take actions including and up to termination of contracts.

3. ENVIRONMENT

We expect Suppliers to demonstrate commitment towards environmental protection by striving to minimize environmental impacts and, where material, proactively contribute positively to shared environmental and climate ambitions.

3.1 Environmental Compliance & Monitoring

Suppliers must establish and enforce policies and procedures in adherence to local, national, and international environmental laws and standards in their operations and products.

Suppliers must monitor and control significant environmental impacts and performance, ensuring compliance through training and operational controls.

Suppliers must ensure that any work that requires a specific environmental license is only performed by individuals who are appropriately registered and/or licensed.



Suppliers must maintain appropriate environmental records to demonstrate compliance with all requirements for environmental licenses and permits, including, but not limited to data from the monitoring of significant environmental impacts.

Suppliers are encouraged to regularly assess and monitor nature-related impacts, dependencies, risks and opportunities relevant to the specific type and size of their operations, and where relevant, take mitigative action. We further encourage Suppliers to consider the impact on affected communities and engage with them appropriately.

3.2 Management of Hazardous Substances

Suppliers must identify and manage substances that pose a hazard if released into the environment and comply with applicable labeling laws and regulations for recycling and disposal in an environmentally sound manner.

Suppliers must display Material Safety Data Sheets (MSDS) for any hazardous or toxic substances used in its facilities and provide sufficient training to workers handling such substances.

3.3 Waste and Wastewater Management

Suppliers must ensure proper management of wastewater and solid waste from operations and sanitation facilities in all processes, in accordance with local, national, and international legislation, including through segregation, monitoring, treatment, and record keeping.

Suppliers must be well informed and comply with all applicable regulations in all processes, as well as any changes thereto, relating to labeling, storage, and waste disposal.

3.4 Air Emissions

Suppliers must ensure that emissions of volatile organic chemicals, aerosols, corrosives, particles, ozone depleting chemicals, and combustion by-products generated from operations are identified, monitored, controlled, and treated before discharge through regular air sampling as required by applicable local and national laws, and international standards.

3.5 Resource Use

Suppliers are expected to utilize energy, materials and water resources efficiently and responsibly throughout all aspects of their operations. This includes minimizing waste, adopting sustainable practices and continuously striving to improve resource efficiency.



Suppliers must make commercially reasonable efforts to recycle and reuse as much as possible, consistent with good industry practices and financial prudence.

3.6 Biodiversity & Ecosystems

Suppliers are expected to undertake initiatives to protect and restore biodiversity and ecosystems within their operations and supply chains. We encourage Suppliers to actively engage in efforts to conserve biodiversity by adopting sustainable land use practices, preserving natural habitats and supporting initiatives aimed at protecting endangered species.

Suppliers are encouraged to minimize and ultimately avoid their presence in, and/or impact on biodiversity-sensitive and protected areas and to strive to contribute to positive outcomes on biodiversity and ecosystems.

3.7 Climate Change

Suppliers shall track Scope 1, 2, and 3 greenhouse gas emissions. Upon request, Suppliers will share Scope 1, 2 and 3 greenhouse gas emissions data with EM.

Suppliers should consider setting greenhouse gas time-bound emissions reduction targets towards low emissions operations including reporting systems for their monitoring. EM recommends target setting methodologies in line with international standards, such as the Science Based Targets (SBTi).

4. HEALTH AND SAFETY

It is EM's policy to operate in a safe, responsible manner, which respects the environment and the health of our employees, contractors, visitors, and communities. We will not compromise our environmental, health or safety values for profit or production. We are committed to continual improvement of our performance and encourage environmental protection by the responsible use of natural resources, greenhouse gas emission reduction, energy conservation, waste and water minimization and pollution prevention. Our commitment extends throughout our value chain.

We expect suppliers to actively promote health and safety through the implementation of policies and programs that adequately manage the risks present within their operations. In cases where worker housing is provided, conditions should be clean, safe and sanitary.

Suppliers must ensure compliance with applicable laws and regulations regarding health and safety.

Suppliers must develop and implement effective health and safety management systems with worker participation in safety committees.



Suppliers must ensure that safety management systems support risks identification, measurement and monitoring of performance and the drive for continual improvements to mitigate or minimize health and safety risks emanating from their operations.

Suppliers must ensure the protection of their workforce by providing basic personal protective equipment appropriate to the nature of work and relevant training on health and safety systems.

Suppliers must empower workers to report unsafe practices without fear of reprisal.

Suppliers must commit to proactively undertaking safety initiatives to protect people and assets from harm and damage.

Suppliers must have a clear set of procedures in place to respond to any potential emergency situations, including worker notification and evacuation procedures, first-aid supplies, fire detection/control equipment and clear and unrestricted exits from the site.

4.1 Labor Rights

Suppliers are expected to work towards creating and sustaining a working environment where workers are treated with dignity and respect, and which is diverse, equitable and inclusive.

4.2 Child Labor

Suppliers must not use or tolerate the use of child labor. Suppliers must not employ children who are below the local minimum working age, the age of compulsory education or the ages set out in the International Labor Organization Core Conventions (whichever is higher).

Suppliers must ensure that workers, including trainees, under the age of 18, do not undertake nightshift work or work overtime or carry out work that is hazardous or harmful to their physical or mental development.

4.3 Freely Chosen Employment

Suppliers must not engage in any form of forced labor or human trafficking, use or benefit from any kind of forced or involuntary, bonded or indentured labor and should refrain from practices that can give rise to a risk of involuntary labor.

Suppliers and/or their recruiting agencies must not charge workers recruiting or hiring fees, whether paid by workers out of their own funds or which gives rise to the risk of workers being indebted to Suppliers.

4.4 Employment Contracts

Suppliers must clearly communicate and document employment and payment terms in a written contract, in a language the worker understands, before work begins, in compliance with local laws and ethical standards.



4.5 Compensation

Suppliers must adhere to relevant national laws relating to minimum wages, overtime wages and legally mandated benefits.

If no national statutory minimum wage applies, Suppliers must ensure that the remuneration is fair in the context of the local circumstances and sufficient to meeting workers' basic needs.

Suppliers must ensure that salary deductions that are allowed by applicable local legislation are fair and reasonable and not punitive. Pay slips must be provided in writing.

4.6 Working Hours

Suppliers must comply with appropriate working hour requirements including overtime, breaks, and rest periods – as established by national law, relevant collective agreements, and international standards.

Suppliers must ensure, if case, that any overtime work is voluntary and compensated and that overtime is not done on a systematic or structural basis.

Suppliers must adhere to relevant national laws, industry standards and international standards for paid sick leave, paid annual leave, and paid parental leave.

4.7 Freedom of Association

Suppliers must respect the workers' right to associate freely and join or not join trade unions in accordance with national laws and international conventions.

Suppliers must rely on open communication and direct engagement with workers when addressing workplace issues and must refrain from threats of reprisal, intimidation or harassment.

4.8 Discrimination

Suppliers must provide equal opportunities and support to all workers and must not discriminate against anyone based on any grounds such as age, gender, sexual orientation, gender identity or expression, ethnicity, race, physical appearance, culture, religion, national or social origin, political views, marital status, pregnancy, dependents, bodily/mental ability or trade union membership.

Particular attention must be paid to the rights of workers most vulnerable to discrimination. Suppliers must take extra precautions to respect the rights and wellbeing of migrant workers whose rights may be at risk or who may lack access to basic public services.



4.9 Harassment

Suppliers must treat all workers with respect and dignity. The work environment should be free from bullying, intimidation, coercion, corporal punishment or harassment in any form including physical, psychological, sexual or verbal.

4.10 Security Personnel

Suppliers must ensure that security personnel operating at Suppliers' premises act in accordance with universally recognized human rights standards including guidelines on the use of force.

5. DIGNITY AND RESPECT

5.1 Human rights

EM is committed to respecting internationally recognized human rights principles throughout all locations of our operations. Suppliers must uphold the human rights of workers and treat them with dignity and respect. This applies to all workers including temporary, migrant, student, contract, direct employees and any other type of worker. Our suppliers must be committed to following applicable labor laws, promoting human rights, and providing fair and equitable wages. Child labor is prohibited, and all applicable local or otherwise laws must be followed.

Forced, bonded, indentured, involuntary labor is prohibited as well as slavery and human trafficking.

5.2 Discrimination and harassment

We expect Suppliers to select and engage employees and sub-suppliers based on their qualifications for the work to be performed, considering appropriate accommodation needed without regard to race, religion, national origin, color, gender, gender identity, sexual orientation, age and/or physical or mental disability. We expect our suppliers to support and obey laws that prohibit discrimination everywhere they do business.

5.3 Responsible sourcing of raw materials

Suppliers are expected to have a policy and exercise due diligence to reasonably assure that all raw materials in the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Suppliers shall provide EM a declaration on their own responsibility related to the origin of any or all raw materials used in production, upon request.



Suppliers are expected to make reasonable efforts to avoid in their products the use of raw materials which originate from Conflict-Affected and High-Risk Areas and contribute to human rights abuses, corruption, the financing of armed groups or similar negative effects.

5.4 Diversity and inclusion

As an innovation leader in our industry, diversity and inclusion are critical to our success at EM. We are a company with customers of every race, ethnicity, gender, age, religion, ability, background and experience and we strive that diversity to be represented within the walls of our company as well. We can better connect our world if we understand our world. We want to cultivate an environment where individual cultures are celebrated, and where EM culture unites us. We believe that different points of view should be encouraged, celebrated and cultivated. We expect our suppliers to value the diversity of unique talents, skills, abilities, cultures and experiences while making decisions regarding employment.

5.5 Supplier diversity

EM is committed to developing mutually beneficial relationships with diverse suppliers. Our goal is for our supplier base to reflect the diversity of the communities in which we do business. Our global procurement team explores opportunities to obtain diverse suppliers that meet all business considerations. When all business considerations are deemed to be equal among competitive suppliers, EM has integrated small, minority-owned, women-owned, disadvantaged, veteran-owned, diverse, and/or local businesses into its supplier selection process. We expect our suppliers to provide fair and reasonable access to business opportunities to all potential subcontractors or sub-suppliers who are capable of meeting or exceeding EM's standards.

6. INTEGRITY AND ETHICAL BEHAVIOUR

At EM, we understand that people shape our culture. That is why each associate, supplier and/or subcontractor is enabled to truly make a difference. EM drives decision-making down into the organization. We know that the best concepts and processes come from associates, suppliers and/or subcontractors on the front line with strong work ethics and enthusiasm to accomplish projects with integrity.

Suppliers should conduct their business in a manner that ensures transparency, honesty and ethical conduct in all interactions. We expect our Suppliers to have zero-tolerance for corruption and ensure compliance with all UN and Organization for Economic Co-operation and Development (OECD) conventions against corruption and with all governing anti-corruption laws.



6.1 Anti-corruption

Suppliers must avoid participation in, or knowingly benefit from, any kind of corruption, extortion or bribery.

Suppliers must establish and enforce a written policy against illegally influencing or bribing public officials, business partners or customers and promote workers' awareness of the same.

Suppliers must be transparent about commercial, financial or any other significant direct or indirect links to government agencies or departments, political parties and public/government owned entity officials.

Suppliers must not present any invitations or gifts to our employees to gain any form of influence or inappropriate advantages. Any invitations or gifts extended to EM employees or related parties, if any, must be reasonable and suitable, i.e., they must be of a low financial value and reflect ordinary local business custom.

Suppliers must record and report any offer, receipt, or request to give bribes or facilitation payments. Suppliers must also challenge any request to make or receive bribes or facilitation payments, which must be actively refused unless there is a threat to personal safety.

6.2 Anti-Money Laundering

Suppliers must comply with all applicable laws governing the prevention of money laundering and not participate in any money laundering activities.

6.3 Gifts

Suppliers must use good judgment when extending business courtesies to ensure that any exchange of gifts, favors, or entertainment is proportionate or reasonably related to the business being conducted between the parties. Consistent with our internal Code of Conduct, any gifts offered by suppliers to EM must be:

- Legal and ethical
- Consistent with customary business practices
- Reasonable in terms of value
- Unlikely to publicly embarrass the Company
- Not cash or cash equivalent

6.4 Data Ethics & Cyber security

Suppliers must protect data generated or entrusted to them to deliver services to EM and our customers and commit to only using such data responsibly and for the intended purpose.



Suppliers must comply with all applicable regulatory requirements, including data protection and information security laws relating to the processing, transmission, or disclosure of such data and information.

Suppliers must safeguard all EM data and information from unauthorized access, disclosure, or use, and adhere to confidentiality and data protection requirements specified in agreements.

When operating technology or infrastructure in support of EM business operations, Suppliers must keep such technology secure and protected against unauthorized access that may compromise confidentiality, integrity, availability or safety.

Suppliers must ensure personnel are trained in the correct usage and protection of data and information in compliance with the above and in the appropriate notification and response in the case of a breach.

6.5 Competition law

Suppliers must adhere to anti-trust and other competition laws and regulations.

Suppliers must always independently compete for business, set prices, and terms of purchase or supply to vendors and customers.

Suppliers must never enter into illegal agreements with competitors that may restrict or distort competition, such as price fixing, market and customer division or bid rigging.

Suppliers must never unlawfully provide, request, or discuss commercially or competitively sensitive information (Competitively Strategic Information).

6.6 Sanctions and Export Controls

Suppliers must adhere to national and international sanctions and export control laws, in particular UN, US, EU, and UK, pertaining to business transactions with countries, companies and persons, and the transfer of goods and services, software or technology between countries and any re-exports. Suppliers must not engage with any sanctioned person or company in relation to any business dealings with EM.

Suppliers must not provide any restricted services or goods that may involve EM.

Suppliers must conduct due diligence when selecting suppliers of goods and services, software and technology to ensure compliance with sanctions and export control laws.

6.7 Conflict of interest

Suppliers must not engage in activities that create conflict between the Supplier's interests and the interests of EM. EM expects prompt disclosure of any potential, actual and perceived conflicts of interest. Suppliers must adopt the highest standards of ethical behavior by preventing and avoiding any potential, actual or perceived conflicts of interest. Suppliers must take decisions based on objective criteria only. Any factors that might influence Suppliers' decisions due to private, business or other conflict of interest must be prevented. The same applies to relatives and other related parties.



Suppliers must immediately disclose to EM any potential, actual or perceived conflict of interest.

6.8 Confidential information

We consider the information EM owns to be an asset. Some information, we communicate publicly. Everything else, including and not limited to trade secrets, confidential financial information and any other corporate and personal information, we protect through appropriate and reasonable safeguards and legally enforceable nondisclosure agreements. To the extent that our suppliers have access to such information, they must sign confidentiality agreements and protect this information, including in their relationships with sub suppliers.

6.9 Protection of assets

Suppliers must preserve, protect, and responsibly use all EM assets to which they have access. This includes tangible as well as intangible assets, such as our brands, technology, business information and intellectual assets. Suppliers must not make unauthorized disclosures of trade secrets or other sensitive information belonging to the company at any time. When sharing EM's information with others such as sub-suppliers, the supplier must ensure appropriate controls are in place to protect EM interests.

6.10 Fair competition

We expect Suppliers to observe antitrust and competition laws where they do business. In relationships with suppliers, EM avoids arrangements that restrict our ability to compete with others.

6.11 International trade compliance

We expect Suppliers to follow applicable international trade laws, including import and export controls regulations, and compliance with sanctions and anti-boycott laws. Our Suppliers have a responsibility to ensure they comply with these trade laws and regulations in any country where they do business.

6.12 Improper payments

Suppliers must not seek to influence others, either directly or indirectly, by paying bribes or kickbacks or by any other measure that is unethical or that would tarnish EM's reputation for honesty and integrity.



6.13 Records management, inspections and audits

Suppliers shall maintain business records that are accurate, complete, fair, timely, and understandable, and in accordance with all applicable laws. Business records shall include, but are not limited to accounts, quality reports, expense reports, and any submissions to EM, regulatory authorities, or others. This also includes documentation necessary to demonstrate compliance with law and this Supplier Code of Conduct or considered as relevant to any pending litigation, audit, or investigation. Suppliers must cooperate with requests for inspections and audits by EM or any of its authorized agents relating to compliance with this Supplier Code of Conduct.

6.14 Quality products and services

Suppliers must be committed to deliver safe, quality products and services and ensure their performance.

Suppliers should strive to have management systems in place to continuously improve the products and services they offer.

6.15 Grievance Mechanism

Suppliers are expected to provide access to a protected mechanism for their employees to report possible violations of the principles of this Code of Conduct.

Suppliers are expected to ensure protection of reporters or whistleblowers against any kind of retaliation.

7. REPORTING AND RESPONSIBILITIES

Suppliers are responsible in ensuring that this Supplier Code of Conduct is understood and applied at all levels of their organization, including sub suppliers, if case. Additionally, unless superseded by a separate, executed contract between EM and supplier, suppliers must comply with the Terms and Conditions included within the Purchase Order provided by EM. Suppliers shall promptly report all violations to EM and implement corrective actions to address violations.

To report questionable behavior and/or possible violations of this Supplier Code of Conduct, you are encouraged to work with your primary EM point of contact in resolving your concern. If that is not possible or appropriate, please contact EM at:

comunicare@em.ro



8. SUPPORTING DOCUMENTS AND REFERENCE MATERIALS

For more information please access: <https://electromontaj.energy/>