

Counterparty Code of Conduct



ELAWAN ENERGY S.L.

Counterparty Code of Conduct



Document information

Title	Elawan Energy S.L., Counterparty Code of Conduct
Author	Elawan Legal & Compliance Team
Version	First Edition
Date	Effective from 20 March 2023
Language	This Counterparty Code of Conduct is issued in English and may be translated into Spanish and other languages. In case of discrepancy, the English shall prevail.

INTRODUCTION

1. Purpose and Scope

The **Elawan Group** (being all entities that are directly or indirectly controlled by Elawan Energy S.L.) is committed to upholding the highest business ethics and behaviour in all our activities wherever we operate. We recognize the importance of strong business relationships based on common goals, understanding and values and the critical role our business partners play in the Elawan's Group overall success. Across the Elawan Group we work with a wide network of counterparties in multiple jurisdictions, from smaller local businesses to large international enterprises. No matter the sector, jurisdiction or size of operations, we wish to work with business partners, suppliers and other counterparties who share our commitment to business integrity.

The Elawan Group has internal compliance policies and procedures in place setting out the behaviour and standards that we expect all our employees to adhere to. The purpose of this Counterparty Code of Conduct is to set out the similar standards that we expect our **Counterparties¹** to adhere to. We ask that you carefully read and respect our Counterparty Code of Conduct and understand how its standards and expectations apply in the daily course of our business interactions and arrangements.

2. Compliance by Counterparties, their Employees and Subcontractors

In all activities that Counterparties undertake directly or indirectly relating to the Elawan Group, we expect all Counterparties to adhere to the standards set out in this Counterparty Code of Conduct. We expect Counterparties to take responsibility for the conduct of their employees and **Subcontractors²** and to take appropriate steps, including having in place proportionate and effective controls, to ensure that their employees and Subcontractors understand and comply with this Counterparty Code of Conduct.

Whilst we do not foresee this Counterparty Code of Conduct conflicting with legal obligations on a Counterparty, to the extent that it does, then legal obligations take precedence (and we would expect any such conflict to be notified by a Counterparty to us).

3. Monitoring

All Counterparties are requested to cooperate with all reasonable requests made by the Elawan Group to monitor and verify compliance by Counterparties with this Counterparty Code of Conduct, whether carried out by the Elawan Group directly or by its representatives. Counterparties are therefore requested that (i) all relevant documentation and data demonstrating their compliance with this Counterparty Code of Conduct are maintained, accurate and up to date; and (ii) access to such documentation and data, and to relevant personnel and sites of Counterparties, is granted to the Elawan Group and/or its representatives upon reasonable request.

4. Reporting

We expect all Counterparties to have systems in place to enable the prompt reporting of any actual or suspected breach of applicable laws or regulations, or this Counterparty Code of Conduct, in relation to any of their activities connected to the Elawan Group. Section 6 below sets out how compliance concerns can be raised with the Elawan Group.

Counterparties are also expected to promptly notify the Elawan Group of any fines or administrative sanctions imposed against them which relate to the standards set out in this Counterparty Code of Conduct.

1 Counterparties are third parties (other than another member of the Elawan Group, any of the entities in its shareholder's group or their respective employees) with whom a member of the Elawan Group has any business relationship.

2 Subcontractor means any third party directly or indirectly engaged by a Counterparty to provide products or services to the Elawan Group (directly or indirectly), whether as an agent, subcontractor, representative, consultant or otherwise.

1. COMPLIANCE WITH LAWS AND ETHICAL BUSINESS PRACTICES

KEY PRINCIPLES

We expect our Counterparties:

- to comply with all applicable laws, rules and regulations at all times, including those relating to anti-bribery and anti-corruption, anti-money laundering, combatting terrorist financing and compliance with applicable sanctions regimes;
- not to engage in any illegal or unethical transactions;
- not to engage in the offering or accepting of any form of bribe, including cash or noncash gifts or donations or political contributions;
- not to engage in unfair trade practices, including through cartels or collusive activities intended to suppress market forces, and
- not to engage in any action, relationship or interest that is or could lead to a conflict of interest in relation to their activities connected to the Elawan Group.

Ethical standards should never be compromised for the sake of business results.

EXPECTATIONS ON COUNTERPARTIES

1. Compliance with Law

Counterparties should conduct business in compliance with all applicable laws and regulations, following not just the letter of the law but also the spirit and intent of the law.

2. Anti-Bribery and Anti-Corruption

Counterparties should prohibit all forms of corruption, including bribery, facilitation payments, kickbacks, and any other improper advantages for business or financial gain, regardless of local business practices, whether in dealing with **Government Officials**³ or individuals in the private sector.

3. **Gifts & Hospitality**

Counterparties should not accept or give any gift or hospitality, in whatever form, that influences or appears to influence, business relationships improperly. Any gift or hospitality given or received should comply with applicable laws and regulations and be consistent with local custom and practice.

4. **Conflicts of Interest**

Counterparties should deal ethically with actual, perceived, and potential conflicts of interest while performing their duties and responsibilities for or on behalf of the Elawan Group. A conflict of interest can arise if an interest, activity, personal or working relationship, or set of circumstances, influences or appears to influence a Counterparty's or its employee's ability to remain impartial and objective, or interferes or appears to interfere with their responsibilities to the Elawan Group. Counterparties should avoid actual or apparent conflicts of interest, whether financial, personal, ethical, legal, or otherwise, and should disclose to the Elawan Group any conflict of interest involving a Counterparty or its employees and the interests of the Elawan Group.

5. **Anti-Social Forces**

Counterparties should not engage in any relationships, activities or transactions with groups or individuals who comprise "*anti-social forces*" that pursue economic benefit through violence, force, or fraudulent means (including organized crime, gangs, and terrorist organizations).

6. **Unfair Business Practices**

Counterparties should practice fair competition and comply with all applicable competition laws. Counterparties should not participate in bid rigging or other practices that limit fair competition in tender situations; or in any other form of cartel practices with competitors, such as dividing or allocating markets or customers or price fixing.

7. **Anti-Money Laundering & Counter-Terrorist Financing**

Counterparties are expected to act in full compliance with all applicable anti-money laundering and counter-terrorist financing laws and not engaging or being implicated in money laundering or terrorist financing. Counterparties should conduct business only with reputable customers and Subcontractors involved in legitimate business activities, with funds derived from legitimate sources. Each Counterparty is required to take steps to prevent and detect unacceptable and suspicious forms of payments. In this context, money laundering and terrorist financing should be interpreted in the broadest sense to include transactions that involve proceeds derived from unlawful activities or that finance terrorist activities or the proliferation of instruments of mass destruction. It includes illegal activities or funds from illegitimate sources which are disguised in a manner that makes the proceeds appear to come from legitimate sources or activities, as well as concealing or converting illegal funds or property; possessing or dealing with the proceeds of crime; or knowingly assisting in financing, transferring assets for the benefit of, or otherwise supporting, terrorist groups and terrorist activity.

8. **Sanctions**

Counterparties should fully comply with all applicable international sanction regimes and should not, directly or indirectly, enter into or facilitate business activities in violation of, or in circumvention of, any applicable international sanctions or restrictions. In this context, applicable sanction restrictions include those imposed by the United Nations, United States, the European Union and the United Kingdom and those of any other jurisdiction in which the Counterparty undertakes activities connected to the Elawan Group.

³ **Government Official** shall be interpreted in the broadest sense. It includes all employees, at any level, of a government department or agency, whether executive, legislative or judicial. Officers and employees of companies under government ownership or control are also considered Government Officials. Therefore, the term includes not only individuals such as elected officials, customs and tax inspectors and government procurement officials, but also the employees of state-owned enterprises. It also includes: (a) any person acting in an official capacity for a government organization, department, or agency; (b) officers or employees of any public international organization, such as the International Monetary Fund, the European Union and the World Bank; and (c) political parties, party officials or candidates for office.

2. RESPECT FOR HUMAN RIGHTS

KEY PRINCIPLES

We expect our Counterparties to:

- respect human rights and diversity around the world;
- not tolerate any form of forced labour or child labour in their operations or supply chain; and
- not engage in discrimination or harassment of any kind, including on the basis of race, ancestry, familial status, age, disability, religion, gender or marital status.

We support, and expect our Counterparties to adhere to, the Human Rights Principles of the United Nations Global Compact, namely that businesses should support and respect the protection of internationally proclaimed human rights and make sure that they are not complicit in human rights abuses.

EXPECTATIONS ON COUNTERPARTIES

1. Respect for Human Rights

Counterparties should conduct their business activities in a way that respects fundamental human rights, as affirmed by the Universal Declaration of Human Rights.

2. Forced Labour

Counterparties should take all reasonable steps to ensure their business and supply chains are free from any form of forced labour or modern slavery. This includes slavery, servitude and forced, compulsory, bonded, involuntary, trafficked or unlawful migrant labour. Employees and other workers should always have the freedom to terminate their employment on reasonable notice.

Counterparties should not undertake any practice that would restrict the free movement of employees or workers (for example, by retaining employees and workers identification papers or work permits – or if required to be retained for legitimate reasons, only doing so with the full informed consent of the employee or worker who should have full and unrestricted access to those papers without constraints).

3. Child Labour

Counterparties should take all reasonable steps to ensure their business and supply chains are free from any form of child labour. For these purposes, a child is anyone below the age of 15 years old, or below any higher minimum age specified by local law.

4. Conflict Minerals

Counterparties should comply with all laws and regulations relating to conflict minerals and take all reasonable steps to ensure that all materials supplied by them to the Elawan Group or otherwise used in their activities for the Elawan Group, including in their supply chains, are free from conflict minerals. For these purposes, conflict minerals are those whose systematic extraction and trade contribute to the violation of human rights in the country of extraction and surrounding areas.

5. Equal Opportunities and No Discrimination

Counterparties should ensure that its employees and workers are treated fairly and respectfully, providing (i) equal opportunities for employment, and hiring, retaining and promoting employees based on qualifications, demonstrated skills, achievements, and other merits, (ii) equal pay for equal work carried out by employees and (iii) reasonable accommodation to qualified individuals with disabilities as well as individuals with needs related to their religious observance or practice.

Counterparties should strictly prohibit discrimination or harassment, whether on the grounds of race, ancestry, familial status, age, disability, religion, gender, gender identity, social class, political views, or any other characteristic protected by law or our policies. Discrimination and harassment may be obvious or subtle, and may take many forms, including among others: unwelcome remarks, gestures, or physical contact; verbal or physical abuse or threats; offensive or derogatory jokes or comments; and display or circulation of offensive or derogatory materials.

6. Fair Wages

Counterparties should provide fair and liveable wages and benefits to their employees and workers.

3. CONTRIBUTION TO SOCIETY AND PROTECTION OF THE ENVIRONMENT

KEY PRINCIPLES

We embrace values that serve to support and advance societal interests and harmony, and we strive to conduct business activities in a manner that promotes harmony with social and environmental issues and expect our Counterparties to do the same.

EXPECTATIONS ON COUNTERPARTIES

Counterparties are expected to fully understand the impact that their business activities has on society and to be committed to minimizing any negative impacts on society and the environment from their business activities in the following ways:

1. Sustainability and Environmental Impacts

Counterparties should observe all applicable environmental laws and regulations and take reasonable steps to reduce any adverse impact their operations have on the environment and the ecosystem, conducting operations in an environmentally responsible manner.

We expect Counterparties to cooperate with the Elawan Group in initiatives to collectively minimize environmental impacts, including relating to emissions to air, water, land, use of materials, natural resource consumption, impact on biodiversity and waste management practices. We also expect Counterparties to cooperate with the Elawan Group to provide available information relating to their environmental performance and report any environmental incidents.

2. Community Relationship

The communities where the Elawan Group implements its projects are the centre of the Elawan Group business. The Elawan Group's desire is to improve the environment and environmental conditions for future generations, helping to generate electricity in a sustainable, efficient, competitive, profitable, and environmentally respectful manner, without polluting, reducing emissions over time, with reasonable and with stable costs in the long- term. We also promote dialogue between our team and the members of all the implicated communities by sharing objectives, values, and beliefs. We expect all Counterparties to incorporate the same principles into their own business objectives.

4. SAFE WORK ENVIRONMENT

KEY PRINCIPLES

We expect our Counterparties to be committed to developing and maintaining a secure and safe work environment, including the development and promotion of safe behaviours and in establishing a healthy workplace, with safe equipment and work conditions for all those who provide services in our business. Safety and security procedures should never be compromised in order to give preference to operational objectives.

EXPECTATIONS ON COUNTERPARTIES

1. Compliance with Law

Counterparties should conduct business in compliance with all health & safety law and regulations applicable to their business operations.

2. Health & Safety Practices

Counterparties should implement and maintain appropriate health and safety practices and procedures to promote a secure and safe work environment for its employees and workers. This may include:

- undertaking appropriate periodic risk assessments;
- implementing any appropriate control measures to ensure the safe handling, storage, transfer and disposal of substances hazardous to health or the environment;
- providing any appropriate personal protective equipment to carry out work and prevent occupational injuries or illnesses;
- providing adequate information and training to employees and workers, and ensuring where applicable, that employees and workers have any necessary qualifications and experience, so that employees and workers are aware of, and can manage safety concerns relating to their working environments, including

following all security measures and guidelines for a safe work environment and knowing what to do in an emergency; and

- sharing this information and any other information required by our health & safety team to ensure that all works are carried out in safe conditions.

3. Reporting Incidents

Counterparties should promptly report to the Elawan Group all health and safety incidents related to Elawan Group project sites and business activities.

5. PROTECTION OF CONFIDENTIAL INFORMATION, INTELLECTUAL PROPERTY AND PERSONAL INFORMATION

KEY PRINCIPLES

We expect our Counterparties to ensure that:

- the property of the Elawan Group, including its intellectual property, must only be used for legitimate business purposes;
- intellectual property rights of others must be respected; and
- privacy of all personal and confidential information must be protected.

EXPECTATIONS ON COUNTERPARTIES

1. Protecting Confidential Information

Counterparties will have access from time to time to confidential or proprietary business information about the Elawan Group, or within the Elawan Group's possession or control, including strategic plans, sales figures, financial information, information regarding negotiations, agreements, or dealings between the Elawan Group and others, trade secrets, patents, and trademarks. Unauthorized disclosure or use of confidential or proprietary business information, including through electronic means, could result in severe damage to the Elawan Group or its shareholders, employees or Counterparties. It is the responsibility of every Counterparty to:

- secure and limit access to confidential or proprietary business information relating to the Elawan Group, or otherwise obtained through their activities with the Elawan Group, only to those who need to know such information to do their jobs;
- protect such confidential or proprietary business information against disclosure (other than as required by law or regulation, or otherwise in accordance with whistle-blower and other laws) or unauthorized access; and
- not use any such confidential or proprietary business information for personal gain or permit any other person to do so.

2. Respect Third Party Intellectual Property

Counterparties should respect the intellectual property rights of all parties and should not use, misappropriate nor disclose any intellectual property rights of the Elawan Group in any way other than as permitted in accordance with the terms of its arrangements with the Elawan Group.

3. Personal Information

In all activities relating to the Elawan Group, counterparties should comply with all applicable privacy laws and regulations on the collection, storage, use and other processing of any personal information, whether of customers, suppliers, employees or otherwise.

6. REPORTING COMPLIANCE CONCERNS

KEY PRINCIPLES

We strive to create a “speak up” culture and encourage employees and Counterparties to come forward with any compliance concerns. These can include violations of laws, regulations, or internal policies; unethical behaviour; fraudulent or corrupt activities, wrongful or misleading financial or other reporting or integrity incidents.

We expect Counterparties to have procedures in place to facilitate the reporting of compliance concerns by providing an open and transparent environment in which employees feel safe to “speak up”, in confidence and without fear of retaliation, through: (i) multiple accessible channels to report compliance concerns in good faith and free from the risk of retaliation; and (ii) procedures to ensure that compliance concerns are investigated promptly, fairly and in accordance with legal obligations.

EXPECTATIONS ON COUNTERPARTIES

All Counterparties are expected to (i) report any actual or suspected breaches of applicable laws or regulations, or this Counterparty Code of Conduct, in relation to any activities connected to the Elawan Group as soon as they become aware of them, whether that relates to conduct of employees of the Elawan Group, the Counterparty, its Subcontractors or otherwise; and (ii) implement appropriate policies and procedures to ensure that their employees and Subcontractors are able to do the same (in confidence and without fear of retaliation).

1. Reporting Incidents

Counterparties and their employees can report any compliance concerns in relation to any activities connected to the Elawan Group through one of the following reporting channels, and Counterparties and their employees are free to select whichever channel they feel most comfortable taking:

- **Usual Elawan Contact Point:** reporting to their usual Elawan Group relationship contact point;
- **Elawan Directors:** reporting to any of the Elawan Energy S.L. board of directors;
- **Elawan Legal & Compliance Team:** reporting to the Elawan Legal & Compliance Team (email: compliance@elawan.com); or
- **Whistleblowing Hotline:** reporting through the whistleblowing hotline operated by the ORIX Group (operated on behalf of the Elawan Group’s parent company, ORIX Corporation), either using a toll-free telephone-based reporting system or a website portal intake system. These confidential hotline services are administered by a third-party service provider called NAVEX. All reports made through this hotline will be received directly by the Elawan Group’s Head of Legal & Compliance and also by the legal & compliance department of ORIX Corporation.

NAVEX provides live telephone interpretation and translation of reports submitted to the web portal, therefore reports can be made in whichever language the person reporting feels most comfortable with. Reports may also be made anonymously.

The following number and website portal intake **are available 24 hours a day, 7 days a week:**

- Hotline toll-free number is: **0800-0232214**
- Website portal is: www.orix.ethicspoint.com

Nothing in this Counterparty Code of Conduct prevents any Counterparty or their employees from reporting compliance concerns to any applicable regulatory authority in accordance with their rights or obligations under applicable law.

2. Managing Incidents

The Elawan Group has in place policies and procedures to ensure that compliance concerns raised are treated seriously, in confidence, thoroughly and independently reviewed in a manner to ensure consistency and fairness and to the fullest extent possible protect the rights of all involved. Any investigation will be conducted in as timely a manner as possible.

3. No Retaliation

Reporting a compliance concern shows a sense of responsibility and fairness to employees, customers, and investors, and safeguards the reputation and assets of the Elawan Group. The Elawan Group will not permit retaliation in any form against any person for reporting a compliance concern in good faith and participating in good faith in any resulting investigation or proceeding.