



AIM ALFEN
INTEGRATED
MANAGEMENT
SYSTEM

Supplier Code of Conduct

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ALFEN
POWER TO ADAPT

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1 Introduction

Alfen's vision is a connected, smart and sustainable energy system for future generations. To deliver this, Alfen's mission is to boost the energy transition by engineering, manufacturing, integrating and connecting high quality energy solutions that are innovative, reliable and smart. Alfen has a strong impact through enabling sustainable energy developments with its smart grids, EV charging equipment and Energy Storage solutions [101] [103].

Sustainable development is development that meets the needs of present generations without jeopardising the ability of future generations to meet their needs. Relevant impact includes, but is not limited to, environmental change, poverty and equality, and economic, cultural, technological and political globalisation. As such, we recognise that we, as a company, have the opportunity to create positive environmental and social impact, while at the same time, we need to endeavour to eliminate potential negative impact from our activities and those of our Suppliers. To address this, we developed a Sustainable Development Policy. Alfen's Sustainable Development Policy is an overarching policy that is the umbrella for any Environmental, Social and Governance (ESG) activity or policy within the company [102].

1.1 Scope

This Supplier Code of Conduct hereinafter referred to as: 'Code of Conduct' applies to all companies, individuals or any other business partners who provide their products or services to Alfen, hereinafter referred to as: 'Supplier(s)'.

1.2 Purpose

This Code of Conduct is to ensure that Alfen ESG activities and expectations as part of the Sustainability Development Policy are adequately cascaded down into the Alfen supply chain.

2 Abbreviations & Definitions

2.1 Abbreviations

Abbreviation	Description
AIM	Alfen Integrated Management system
ESG	Environmental, Social, Governance
QHSE	Quality Health Safety Environment
CSR	Corporate Social Responsibility
OECD	Organisation for Economic Co-operation and Development

Table 1 - Abbreviations

2.2 Definitions

Definition	Description
Human rights	Human rights are the basic rights and freedoms that belong to every person in the world, from birth until death. They apply regardless of where you are from, what you believe or how you choose to live your life. They can never be taken away, although they can sometimes be restricted – for example if a person breaks the law, or in the interests of national security. These basic rights are based on shared values like dignity, fairness, equality, respect and independence. These values are defined and protected by law.
Bribery	Refers to the offering, giving, soliciting, or receiving of any item of value as a means of influencing the actions of an individual holding a public or legal duty
Corruption	The abuse of entrusted power for private gain
Due-diligence	An investigation, audit, or review performed to confirm facts or details of a matter under consideration

Table 2 - Definitions

3 References

3.1 AIM Documents

Ref.	Document Title	AIM Document Number	Extern Document Number
[101]	QHSE Policy Statement	AIM-QHSE-GEN-2.02-02-POL-01	See www.alfen.com/downloads
[102]	CSR Development Policy	AIM-QHSE-GEN-2.02-02-POL-13	See www.alfen.com/downloads
[103]	SPARK values	AIM-QHSE-GEN-2.02-02-POL-02	See www.alfen.com/downloads
[104]	Whistle-blower policy	AIM-HRM-GEN-2.02-02-POL-12	See www.alfen.com/downloads
[105]	Alfen Code of Conduct	AIM-QHSE-GEN-2.02-02-POL-04	See www.alfen.com/downloads

Table 3 – AIM Documents

3.2 External Documents

Ref.	Document Title	Alfen Document Number	Extern Document Number
[201]	UN Guiding Principles on Business and Human Rights (Ruggie Principles)		HR/PUB/11/04
[202]	Guideline for social responsibility of organisations		ISO-26000:2010
[203]	OECD guidelines		https://www.oesorichtlijnen.nl/
[204]	UK Bribery Act 2010		https://www.legislation.gov.uk/
[205]	UK Modern Slavery Act 2015		https://www.legislation.gov.uk/

Table 4 – External Documents

4 Framework

The Alfen Supplier Code of Conduct is based on the ‘Ruggie principles’ of the UN [201] and the guidelines of the Organisation for Economic Co-operation and Development (OECD) [203]. Our Code sets standards for ethical and fair business conduct and describes how we want to treat people, improve our environment, and conduct our business in cooperation with other parties. Alfen is very committed to comply with this Code of Conduct and can assess it, for example by auditing companies or requesting reports.

4.1 What We Commit to

In line with our commitment to sustainable development, we are committed to our day-to-day activities within Alfen to:

- Protect and respect the environment, human rights and labour standards; prevent us from causing or contributing to a negative social or environmental impact;
- Integrate material sustainability criteria into our business decisions and commercial activities;
- Offer products and services that:
 - contribute to the sustainable development of people, the environment and the economy;
 - reduce or avoid unsustainable practices;
 - dealing responsibly with material impact;
- Encourage and support Suppliers to improve their performance in a way that contributes to their business success and to the environment and society; and
- Terminate our relationship with Suppliers who do not meet the requirements set out in our sustainability policy and / or (inter) national laws and regulations and who are not prepared to change undesirable practices within an agreed timeframe.

4.2 Our expectations towards our business partners and Suppliers

Alfen monitors the sustainability ambitions of our Suppliers by testing them and entering into a dialogue with them. If our Suppliers fail to meet commitments and ongoing dialogue does not lead to improvements over time, we may terminate the relationship based on predetermined criteria.

Alfen expects its business partners and Suppliers to:

- Endorse Alfen's sustainability statement and meet the conditions of our purchasing criteria.
- Engage in social dialogue to promote sustainable development and cooperation between companies, governments and other stakeholders;
- Share our knowledge and networks;
- Encourage internal education and development of management and leadership on sustainability issues;
- Comply with national laws and regulations in the countries in which we operate;

- Transparent about our and, if they have a sustainability vision themselves, communicate their own vision and activities; and
- Have a comparable Code of Conduct and have it endorsed by their business partners and Suppliers. If they do not have this, then make the Code of Conduct back-to-back mandatory in their contract if they have work or orders that are for Alfen.

5 Human rights

Wherever employees work worldwide, their working conditions must be humane, fair and safe. Together with our Suppliers, we therefore respect the Universal Declaration of Human Rights and the international conventions on terms of employment and working conditions as laid down by the International Labour Organisation (ILO). The following points are of particular importance:

5.1 Anti-discrimination

All anti-discrimination rules as laid down in national and supra-national laws and regulations are to be respected and complied with. There is to be no discrimination based on age, nationality, race, ethnic background, gender, sexual orientation or physical disability.

5.2 Freedom of association and collective bargaining

Employees have the right to join trade unions. They have the right to associate and bargain in order to reach agreements about their terms of employment.

5.3 Labour conditions

In addition to the above, we expect our Suppliers with regard to labour standards to:

- Respect all labour standards as described in the ILO Declaration of Fundamental Principles and Rights at Work;
- Prevent them from causing or contributing to violations of labour standards;
- Respect and promote diversity in the workplace, with equal opportunities for all;
- Identify, prevent, reduce and account for current or potential violations of labour standards that are directly related to their activities, products and services or that are directly associated with them through business relationships with, among others, customers, business partners and society;
- Provide a safe and healthy work environment;
- Consider labour standards in their business decisions;
- Where they have caused or contributed to violations of labour standards, rectify them through legitimate procedures or cooperate in rectifying them;
- Be transparent about their risks of causing or contributing to violations of labour standards and how they manage those risks;
- Be transparent about any violations of labour standards; and
- Work with effective stakeholder dialogue, including an operational level complaints procedure, for any negative impacts on labour standards that they have caused or contributed to.

5.3.1 Child labour

Supplier declares that any of its activities will not be performed by child labour. Supplier shall observe all supranational and national laws and regulations that apply to child labour (in particular ILO Conventions 138 and 182) and takes adequate action to comply with these Conventions.

Supplier shall observe the United Nations' Universal Declaration of Human Rights and the international working conditions and circumstances as formulated by the International Labour Organisation (ILO).

5.3.2 Modern Slavery

Alfen is committed to maintaining and enforcing effective systems and controls to prevent slavery and human trafficking in our corporate activities, and to ensure that all work in our supply chains is performed voluntarily. Modern slavery is a criminal activity and a violation of human rights. The deprivation of a person's liberty by another in order to exploit them for personal or commercial gain is unacceptable. For these reasons, slavery and human trafficking are a matter of zero tolerance at Alfen.

This policy applies to all members, employees, agents, consultants, Suppliers and those parties in our supply chain, wherever in the world they operate. Any reported breach of this policy will be investigated and may lead to legal proceeding or disciplinary action. Alfen commits to taking all necessary steps to ensure the workforce who we and our Suppliers engage is free from effects associated with modern slavery, human trafficking, forced or bonded/imprisoned labour.

Alfen will conduct "right to work" checks on every employee within its employment at induction. Alfen shall ensure that workers' contracts clearly convey the conditions of employment in a language understood by the workers. Alfen shall not impose unreasonable restrictions on movement within the workplace or upon entering or exiting company-provided facilities. We expect our supply chain to perform the same checks in accordance with the applicable Immigration laws of the countries we are operating in.

The detection and reporting of slavery is the responsibility of all of us. Any concerns about any issue or suspicion of modern slavery in any part of our business or supply chain at the earliest possible stage should be raised. This can be done in accordance with the whistleblowing policy [104] as can be found on our website.

6 Environment

6.1 Environment

It is important that the footprint of products and services is kept as small as possible. The adverse impact on the environment should be minimised.

We expect Suppliers to:

- Have an environmental policy that expresses awareness of their risks of causing environmental damage, and that they communicate those risks transparently;
- Inform the employees and the local community on environmental, health and safety issues relating to the company's activities.
- Test the expected ecological impact associated with their processes, goods and services during their full life cycle and take this into account in their decision-making;
- Avoid waste as much as possible. Options for recycling should be studied and implemented where possible; and
- Strive to reduce their own footprint.

We also expect business partners and Suppliers whose activities have the potential to significantly pollute the environment to:

- Adopt preventive principles and techniques to prevent pollution and use the best available technologies for the specific circumstances in accordance with good international practice;
- Avoid or minimize and control releases of environmental pollutants as much as possible in routine and non-routine and accident-related circumstances when there is a potential local, regional or transboundary impact; and
- Have procedures in place to immediately report serious accidents and emergencies to the appropriate authorities.

We require business partners and Suppliers (including Transportation) whose activities have potentially significant greenhouse gas emissions to consider alternatives and implement options to reduce direct and indirect emissions. Some examples of these alternatives are reduction of material consumption through product adaptations, recycling of materials, exclusion of leaks, insulation, cogeneration, process changes and the use of renewable energy sources.

7 Fair business practices

Alfen expects that Suppliers will at all times:

- Comply with laws and regulations;
- Have no irregularities;
- Have mutual respect, honesty and integrity; and
- Apply fair business practices.

7.1 Comply with laws and regulations

Supplier is expected to observe and comply with all relevant laws and regulations of the legal system in the country where they operate and to where they purchase and/or sell their products from and/or to and/or offer their services. All Suppliers are expected to refrain from doing anything of which they know or should know that it would conflict with the law, regulations or company policies. In the unlikely event that one or more provisions in this Code of Conduct would conflict with the locally applicable laws, then the law always prevails. Violations of this Code of Conduct or any laws are not only utterly unacceptable, but may also expose Alfen to the risks of financial losses or unfavourable publicity. Apart from any measures imposed by law due to such violations, Alfen will impose appropriate disciplinary measures on Suppliers who violate laws, this Code of Conduct or other measures and/or policies applicable within Alfen.

7.2 Have no irregularities

Alfen maintains a policy in which all irregularities and cases of fraud, embezzlement, forgery and/or theft are investigated and reported and in which the perpetrators, if deemed appropriate, will face both criminal charges and termination of cooperation. Irregularities are defined as behaviour considered improper. This includes, but is not limited to, non-sanctioned appropriation or embezzlement of company properties or other matters belonging to Alfen, its personnel, customers or third parties, but also falsification and intentional misrepresentation of information, or intentionally submitting incorrect invoices and expense claims. If a reasonable suspicion arises that an irregularity is taking or has taken place, Alfen may contract an external research firm.

7.3 Have mutual respect, honesty and integrity

Alfen respects everyone's privacy and personal rights. Alfen cooperates with and employs people of various ethnical backgrounds, cultures, religions, ages, abilities, races, sexual orientations, worldviews and genders. Alfen does not accept any discriminatory behaviour within its organization and in the cooperation with business partners based on any of the aforementioned characteristics, nor does Alfen condone any intimidation and/or insulting behaviour in a sexual or any other way. Alfen expects its Suppliers to act accordingly.

Undesirable Supplier behaviour, which includes but is not limited to discrimination, insults, (sexual) intimidation, aggression, threats, racism, harassment and similar acts, whether verbally, physically,

digitally, personally or by any other means, is not tolerated. Supplier shall fully observe all anti-discrimination provisions of supranational and national laws and regulations

Supplier shall maintain the following principles with regard to cooperation and behaviour towards external partners:

- Decisions about individuals with whom Supplier cooperates (employees, Suppliers and customers) are exclusively made based on appropriate considerations;
- Supplier is reliable and integer and is aware of its responsibilities;
- Supplier does not make any promises that cannot be honoured; and
- Supplier expects its employees to act reliably and with integrity. This includes being open, clear, and transparent.

All behaviour and acts of Suppliers must be aimed at the interests of Alfen and its customers. The aspects in which this must be demonstrated are customer-focus, helpfulness, collegiality, respect and decency and the will and ability to cooperate with one another.

7.3.1 Careful and professional

In addition to integrity, carefulness is another important aspect in proper decision-making. This is achieved by taking all relevant stakes into consideration and by correctly using the authorizations granted.

Professionalism shall also mean that Supplier performs its work correctly, complies with the relevant processes and acts with integrity. Supplier is expected to be able to make correct and responsible decisions, also in situations for which the exact rules are not defined or unclear.

7.3.2 Loyalty

Supplier is expected to be loyal for all matters relating to Alfen. However, if any assignment given contradicts the interest of Supplier or the interest of the general public, is inefficient, morally objectionable or even criminal, then the Supplier is expected to possess the ability to make a professional consideration.

7.4 Fair business practices

Alfen fundamentally values its relations with customers and Suppliers. Customers and Suppliers must always be treated both honest and fair.

Alfen expects its Suppliers to share the same values and to comply with all applicable laws. Furthermore, Alfen expects Suppliers to act compliant with the following principles that are also applied by Alfen:

- Preventing corruption;
- Complying with applicable laws; and
- Complying with all the applicable laws, rules and regulations of the legal system in which business is conducted.

7.4.1 Working with competitors. Honest competition and antitrust laws

Honest competition is a fundamental foundation of the free market system and ensures that industries can develop and blossom freely, resulting in countless benefits to society. Alfen entirely embraces this system. This is why Alfen requires complete compliance with applicable antitrust and competition laws, including laws prohibiting unfair trade practices and trade limitations (hereinafter jointly referred to as: antitrust laws) and so should Supplier.

Supplier shall comply with all applicable antitrust laws, regardless of whether they originate from supranational, national or local authorities. All agreements with competitors or third parties containing provisions that might have a negative impact on free competition are to be inspected and approved by a legal expert in order to ensure that all antitrust laws are complied with.

7.4.2 Competition laws

Supplier competes honestly and complies with competition laws.

7.4.3 Anti-corruption

Supplier shall not, directly or indirectly, offer, promise, pledge or permit money or other valuable goods to government officials in order to influence official actions or to be granted improper benefits. The same applies to commercial counterparties within private companies for business transactions in return for improper benefits. Supplier shall not make political contributions (donations to politicians, political parties or organizations), however it may make financial or physical donations for purposes such as education and science, art and culture and social and humanitarian projects only.

7.4.4 Gifts, meals and entertainment

Alfen's employees may not accept any gifts, meals, entertainment or any other favour from Suppliers if this would impede their ability to take professional decisions in the best interest of Alfen.

Gifts, meals and entertainments received from Suppliers must have a professional value for Alfen and must be reasonable and fitting in the context of the relevant circumstances. Alfen's employees may only accept gifts with a symbolic value as a token of appreciation of a professional relation or occasional meals and entertainment from Suppliers if the event is attended by the Supplier himself. Regular dinners in a professional setting or attending a local event are generally accepted.

As set out in the Alfen Code of Conduct for its employees, the most important Alfen rules with regard to gifts, meals and entertainment to its employees are that they:

- Do not accept gifts in the form of cash money, or its equivalent such as gift vouchers;
- Do not ask for gifts and/or favourable conditions (for personal ends) from a customer or Supplier;

- Do not accept excessive gifts. Examples of acceptable gifts include promotion material, a bottle of wine or a small gift basket during the holiday season;
- Do not accept gifts from a Supplier in return for doing something or promising to do something;
- Do not accept or negotiate favourable conditions for services or deliveries for personal ends;
- Gifts or discounts offered to a large group of employees as part of an agreement between Alfen and Supplier may be accepted and used as determined by the Supplier;
- Gifts with a symbolic value as a token of appreciation of a professional relation may be accepted;
- Do not ask a Supplier to provide for meals or entertainment;
- Do not accept meals or entertainment from Supplier in return for doing something, or promising to do something; and
- may only accept occasional meals and entertainment from Suppliers if the event is attended by the Supplier himself. Regular dinners in a professional setting or attending a local event are generally acceptable.

7.4.5 Money-laundering

Money-laundering is a procedure in which the nature and origin of funds involved with criminal activities (such as terrorism, narcotics trade or bribery) is concealed. One of the ways in which this takes place is by integrating criminal money into the trade balance so that it seems legitimate or so that the true origin or owner can no longer be identified.

Supplier does not cooperate in any form of money-laundering and strives to exclusively operate with reliable customers, Suppliers and business associated that operate fully legally and whose funds and money flow and originate from legal sources.

7.4.6 Trade control

Supplier complies with the applicable laws and regulations in the field of customs and export-inspections in the countries where operations take place. Export inspections mostly apply to transferring goods, services, hardware, software or technology. Suppliers shall strictly comply with the laws regarding export inspections. Violations of these laws and regulations may lead to substantial penalties, including fines and governmental revoking of simplified import and export procedures.

7.4.7 Trade restrictions and boycotts

In the international markets, Supplier shall be bound by the laws of various countries, but also by laws and regulations as defined by (inter)national authorities. Supplier complies with all prohibitions and requirements of the applicable international trade laws and regulations. Supplier complies with, if and when applicable, all generally accepted boycott laws in the countries where the company operates. Supplier also complies with all generally accepted trade restrictions in these countries.

8 (Intellectual) Property

Usage or consumption of time, equipment or other company properties

Under no circumstance Supplier shall use properties or objects to search for or send information that could initiate discrimination, harassment, violence or criminal activities and usage may never relate to any illegal activities whatsoever. In this regard, the locally applying laws must be taken into account. Examples of company properties include, but are not limited to:

- Company funds;
- Company products;
- Company equipment (including equipment made available by third parties);
- Hardware and software;
- Mobile devices;
- Copy machines / scanners;
- Proprietary company information / databases;
- Company brand names;
- Production materials and machines and;
- Inventions and other company secrets; and
- Proprietary / confidential information.

Proprietary / confidential information must always be kept secret and is not to be shared with third parties or individuals. Information is also not to be shared with colleagues if this is not required for them to carry out their work correctly. Supplier will treat the information made known to him confidential and with the utmost care. Proprietary / confidential information is defined as information announced by Alfen or which is not made generally accessible to the public.

Examples of proprietary / confidential information include, but are not limited to:

- Information about employees and other individuals working for or on behalf of Alfen;
- Inventions and other company secrets;
- Contracts;
- Strategic and operational reports/plans;
- Quality reports;
- Information with regards to relations, customers and orders;
- Launching of new products/activities;
- Technical specifications;
- Price policy / costengineering;
- Tender information; and
- Financial information.

Supplier is at all times bound to protect proprietary / confidential information belonging to Alfen. Supplier is bound to return to Alfen all software, data carriers, documents, correspondence or copies thereof belonging to Alfen (or its customers, Suppliers, partners or subcontractors) at the first

request to do so or, in the absence of such a request, upon the expiry of the contract or agreement, regardless of the reason for this request or expiry.

8.1 Data protection and security

The quality of Supplier's information and data security measures aimed at preventing unauthorized access to it are subject to high standards. Some jurisdictions maintain strict laws and regulation with regard to collecting and using personal information, including information about others. Supplier shall comply with these laws to the extent that they are applicable with regards to the privacy of others.

8.2 Intellectual property

All rights with regard to intellectual property that originate from the work of Alfen, are the exclusive property of Alfen, regardless of whether this intellectual property is created as part of the tasks of the Supplier.

Supplier acknowledges and agrees that any and all background knowledge of Alfen shall at all times be and remain the exclusive and absolute property of Alfen. The right of the Supplier to use such background knowledge of Alfen shall in all cases be limited to the production of its product or services.

Supplier is required to maintain strict confidentiality regarding all intellectual property owned by Alfen.

9 Implementation and compliance audit

This Code of Conduct describes general rules. More specific behavioral rules or requirements may be defined in documents such as supply contracts or regulations or agreements with Suppliers. Should any discrepancy exist between these general rules and more specific rules, then the latter prevails. This Code of Conduct applies generally and worldwide. Within various jurisdictions, various specific regulations may apply.

Compliance with legal requirements and this Code of Conduct may be regularly audited, in accordance with the applicable national procedures and legal requirements.

This Code of Conduct is created in order to facilitate correct behavior and consistency in the behavior of Supplier.

9.1 Disciplinary measures

Alfen will take appropriate (disciplinary) measures for each violation of this Code of Conduct. In such a process, Alfen will act carefully and thoroughly and observe founding principles. Alfen reserves the right to recover all damages from Supplier.

9.2 Ratification Alfen

Almere, the Netherlands, March 2021

Signature:

Marco Roeleveld
CEO

Jeroen van Rossen
CFO

9.3 Ratification Supplier

[City, Country, Date]

Signature

Name Supplier

Function