

# Code of Conduct for Suppliers and Business Partners Solenergi Fusen AS

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## 1. Purpose and scope

### 1.1. Introduction

Fusen's vision is Sustainable Energy for all, always.

We are guided by our commitments to have a positive climate impact, reducing the environmental footprint of our business and operations, promoting safe and secure working environments, protecting human and workers rights, and encouraging diversity and equality in our company and supply chains. An integral part of our mission is to ensure that we work with partners sharing these values. Fusen's Code of Conduct for Suppliers and Business Partners (the "Code of Conduct") shall ensure that our suppliers and business partners (hereafter "Supplier(s)") respect basic human and workers rights and protect the environment and climate. Goods and services delivered to Fusen must be manufactured and delivered under conditions that are compatible with this Code of Conduct.

Our Code of Conduct is based on international frameworks and conventions on fundamental principles and rights in working life and other similar guidelines for the environment and climate, including: [the Universal Declaration of Human Rights \(UDHR\)](#), [International Labor Organizations' \(ILO\) conventions](#), [the UN Guiding Principles on Business and Human Rights \(UNGP, 2011\)](#) and [the UN Sustainability Goals \(SDG\)](#).

Fusen is obliged to fulfill the requirements of [the Norwegian Transparency Act](#)<sup>5</sup> by conducting due diligence assessments, and to account for these publicly, in line with [OECD Due Diligence Guidance for Responsible Business Conduct](#).

## **1.2. Scope**

This Code applies to Suppliers of Fusen and all its entities. Suppliers typically refers to suppliers of products and services, like Fusen's installation partners and supply chain distribution partners, but also include categories of third parties, such as strategic partners, lead partners, software providers, hardware manufacturers, etc. Each Supplier is responsible, and accountable for achieving and maintaining requirements and expectations in this Code of Conduct.

Any Supplier of Fusen shall follow the principles and expectations set forth in this Code of Conduct, comply with national legislation in the countries in which they operate and where production takes place, and act in accordance with internationally recognized conventions. Where conventions, laws and regulations deal with the same subject, the strictest standard shall apply. This also applies if this Code of Conduct conflicts with national legislation. The Supplier shall communicate this Code of Conduct or similar requirements in its supply chains and to its subcontractors.

## **2. Expectations and requirements**

We expect our Suppliers to work focused and systematically to comply with this Code of Conduct, which covers basic requirements for human and labor rights, environment and business integrity, and to demonstrate the will and ability for continuous improvement for people, society and the environment through collaboration. The Suppliers shall carry out risk based due diligence assessments in line with the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights. Due diligence shall be carried out regularly and in proportion to the size and nature of the company, the context of its operations, and the severity and probability of adverse impacts on fundamental human rights and decent working conditions.

## 2.1. HUMAN RIGHTS AND LABOR PRACTICES

### Freely chosen employment

*(ILO Conventions No. 29 and 105)*

- There shall be no forced, bonded (including debt bondage) or involuntary prison labour, slavery or trafficking of people in any form.
- All work shall be voluntary. No workers shall be kept in employment against their will and all workers must be free to leave work or terminate their employment, after reasonable notice, without reprisal.
- Workers shall be free to vacate the workplace premises at the end of a regular workday.
- Workers shall not be required to leave deposits, identification papers or the original copy of their work permit to the employer.

### No child labour

*(UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and 79, and ILO Recommendation No. 146)*

- The minimum age for workers shall not be less than 15 years and comply with
  - (i) the national minimum age for employment or
  - (ii) the age for completion of compulsory education, whichever of these is the higher.
 Exceptions may be considered where ILO Convention No 138 is applicable.
- The Supplier has proof of age documentation for all workers, such as a certified copy of an official document indicating the worker's date of birth.
- New recruitment of child labour in contrary to the above-mentioned minimum age is unacceptable.
- The Supplier has a documented routine to prevent child labour which is continuously implemented. This includes a routine to prevent child labour at sub-suppliers.
- The Supplier has a documented routine in place to ensure that child labour identified at the Supplier will be acted upon immediately. The actions taken must be in the best interest of the child. The response routine describes all actions taken to remove the child from his or her position, and to arrange for more viable and sustainable alternatives for the child's development. Supporting measures should be provided where children are given the opportunity for education until they are no longer of compulsory school age.

- Young workers, i.e. persons under 18 years, but above the minimum working age, can be given the opportunity to participate in education and training programs. No person under the age of 18 shall be engaged in labor that is hazardous to their health or safety, including night work, or that is damaging to their education.

#### **No harsh or inhumane treatment**

*(UN convention on civil and political rights, art. 7)*

- All employees shall be treated with respect and dignity. Physical abuse or punishment, harsh or inhumane treatment, sexual or other harassment, verbal or mental abuse of workers, including the threats of such treatment, as well as other forms of intimidation, is strictly prohibited. Policies and routines, including preventive and corrective actions, in support of these requirements must be clearly defined and communicated to all workers.
- Workers, including workers at sub-suppliers, have the right to appeal against reprimands/disciplinary actions/dismissal. These appeals must be recorded.

#### **No discrimination**

*(ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women)*

- There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination, or retirement, based on ethnic background, skin color, caste, nationality, religion, age, health related issues, disability, gender, marital status, sexual orientation, union membership, political affiliation, or any other condition that could give rise to discrimination.
- A policy and adequate routines, including preventive and corrective actions, are implemented to protect workers from sexually intrusive, threatening, insulting or exploitative behavior, and from discrimination or termination of employment on unjustifiable grounds, e.g., marriage, pregnancy, parenthood, or health status.
- A record of all terminated contracts should be kept. The reason for termination of contract should be clearly stated in the records.
- All workers have equal rights and social benefits unless legal restrictions apply.

## Wages and benefits

*(ILO Convention No. 131)*

- Wages and benefits paid for a standard working week shall meet, at a minimum, national legal standards, or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.
- Working hours, wages and overtime wages shall be set in accordance with relevant law.
- All workers shall be provided with a written, signed, and comprehensible contract outlining their wage conditions and method of payments before entering employment.
- Holiday pay, sickness allowance, maternity leave compensation, as well as other compensated absences or fringe benefits established by law, shall be covered by the supplier pursuant to the country's laws and regulations.
- Wages shall be paid directly to the worker in cash payments or by bank transfer, in a timely fashion and in full. Workers must sign for payments received in cash.
- At each payment workers shall be provided with understandable information for the concerned pay period in writing, including but not limited to; number of working days, wage/piece rate calculation, overtime hours and overtime pay, bonuses.
- The piece rate shall be calculated so that those producing the lowest amount always receive at least minimum wage within regular working hours.
- Deductions from wages as a disciplinary measure shall not be permitted.

## No excessive working hours

*(ILO Convention No. 1 and 14)*

- Working hours shall comply with national laws and benchmark industry standards, whichever affords greater protection. Working hours shall not exceed regulations in international conventions. It is recommended that working hours do not exceed 48 hours per week (8 hours per day).
- Workers shall be provided with at least one day off for every 7-day period.
- All overtime shall be limited and voluntary. Overtime shall be used responsibly, considering the extent, frequency and hours worked by individual workers and the workforce. It shall not be used to replace regular employment.

- Recommended maximum overtime is 12 hours per week. i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this may be accepted when regulated by a collective bargaining agreement that is negotiated with an organization representing most of the workers. Appropriate safeguards are taken to protect the workers' health and safety.
- Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see first point of section above). As a minimum, overtime shall be compensated in accordance with relevant national legislation.
- Workers should be given their stipulated maternity and/or parental leave in case of pregnancy.

### **Providing regular employment**

*(ILO conventions Nos. 95, 158, 175, 177, 181)*

- Obligations to employees under international conventions and social security laws, and regulations arising from the regular employment relationship, shall not be avoided using short-term contracting (such as contract labor, casual labor or day labor), sub-contractors or other labor relationships.
- All workers are entitled to a contract of employment that shall be written in a language they understand.
- The duration and content of apprenticeship programs shall be clearly defined.

### **Freedom of association and the right to collective bargaining**

*(ILO Conventions No. 87, 98, 135 and 154)*

- Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, or obstruct, the formation of unions or collective bargaining.
- There shall be no discrimination, threats, intimidation, or harassment of workers representatives. The worker representatives shall have access to carry out their representative functions in the workplace without any obstruction.
- Where the right to freedom of association and collective bargaining is restricted by law, the employer shall facilitate, and not hinder, the development of alternative means for independent and free worker representation and bargaining.

- The employer shall make sure that a worker representative, preferably a union representative, is elected to establish communication with management on matters relating to ethical guidelines. The identity and contact details of the representative can be requested by Otovo.

## 2.2. HEALTH AND SAFETY

### Health and safety

*(ILO Convention No. 155 and ILO Recommendation No. 164)*

- All workers shall have a healthy and safe working environment through systematic work on health and safety, including necessary measures to prevent and minimize accidents and health damage because of, or related to, conditions at work.
- Workers shall have regular and documented training in health and safety, including new hires and relocated workers.
- Adequate steps shall be taken, such as a workplace risk assessment, to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work. A routine for reporting, analyzing, following up and acting on incidents and accidents must be implemented.
- Machines shall have appropriate and functional safety devices which shall be maintained on a regular basis. Safety instructions relevant to the machinery shall be available in an understandable language.
- Hazardous chemicals and other substances must be handled properly.
- Workers should have access to clean sanitary facilities and clean drinking water. If applicable, the employer shall also provide access to facilities for safe food storage.
- If the employer offers lodging, this must be clean, safe, adequately ventilated and with access to clean sanitary facilities and clean drinking water.

### Buildings and fire safety

- The production site must be able to display, with relevant permits, that the sites are of appropriate standard for how they are being utilized.
- There shall be a fire alarm system in place. Fire drills and testing of emergency systems shall be conducted on a regular basis.
- Firefighting equipment shall be maintained in sufficient number and in proper working order. It shall be easily visible and accessible to all workers.
- Buildings shall be provided with a means of egress system for all occupants to safely evacuate, that includes (but is not limited to) a



sufficient number of clearly marked, unlocked and unblocked exits, and safe and unobstructed exit pathways leading out of the premises. Evacuation plans shall be in place and shall be posted at the entrance to each exit stair.

- Electrical systems, equipment, panels, outlets, and wiring must be installed by a certified electrician, and must be properly placed, grounded and documented. All electrical features must be maintained in good working order and must be inspected on a regular basis.

## 2.3. ENVIRONMENTAL PROTECTION

### Climate and environmental requirements

- Negative impacts on the environment must be reduced throughout the value chain. In line with the precautionary principle, measures must be implemented to continuously:
  - o minimize greenhouse gas emissions and local pollution, use of harmful chemicals and pesticides, and ensure sustainable resource extraction and management of water, oceans, forests and land, and biodiversity conservation.
  - o reduce the use of energy and resources.
  - o reduce emissions and resource use, e.g., by participating in relevant systems for recycling and disposal, etc. of the Suppliers' goods and raw materials.
  - o avoid unnecessary use of microplastics in all products, and reduce and find alternatives to microplastics where necessary.
  - o work for the development of more environmentally friendly practices.
- In cases where the Supplier's activities are potentially harmful to the environment, or if Fusen requires it, the supplier must have a publicly available environmental policy.
- No form of illegal environmental activity or reckless exploitation of natural resources shall take place in the Supplier's value chain.
- National and international environmental legislation and regulations must be complied with, and relevant discharge permits must be obtained.

### Consideration for marginalized populations

*(UN Convention on Civil and Political Rights, art. 1 and 2.)*

- Manufacturing and extraction of raw materials shall not contribute to the destruction of the resources and income base for marginalized

populations, for example by claiming large land areas, reckless use of water or other natural resources on which these populations depend.

## **2.4. ETHICS AND BUSINESS INTEGRITY**

### **Ethical business practice**

- The Supplier shall ensure that it operates in accordance with all applicable regulations relating to ethical business practices and shall take a proactive approach to identifying and reducing the risk of unethical business practices across its organization.

### **Tax, anti-corruption and financial crime**

- The Supplier shall pay its taxes and VAT and ensure that it complies with all applicable laws and regulations concerning tax.
- The Supplier shall not engage in any form of illegal business practices and shall oppose corruption, bribery, money laundering, favoritism, extortion and kickbacks.
- The Supplier shall not offer, give, accept, request or receive, either directly or indirectly, bribes or other undue benefits for personal or business gain, including benefits to customers, agents, contractors, suppliers or public servants.

### **Privacy and competition**

- The Supplier shall comply with privacy laws and regulations when processing personal data.
- The Supplier shall comply with competition laws and not take part in any price collaboration, abuse of dominant market position or any other anti-competitive practices.

### 3. Compliance with this Code of Conduct

The Supplier shall be able to document their efforts to secure compliance with the Code of Conduct, and those of their sub-suppliers, at the request from Fusen.

If the Supplier identifies deviations or breaches of the requirements in this Code of Conduct, the Supplier shall report this to Fusen without undue delay. In the event of deviations, the Supplier is obliged to rectify the breaches within the time limit determined by Fusen, as long as this is not unreasonably short. The corrections must be documented in writing and in the manner determined by Fusen.

If all expectations can't be met immediately, these as well as non-compliances are to be settled by corrective actions by the Supplier. If repeated violations are established without any effort by the Supplier to take appropriate actions, it is our duty to terminate the cooperation.

Fusen will use this Code of Conduct when selecting Suppliers and will follow-up on the Suppliers' compliance with the Code of Conduct on a regular basis. Fusen reserves the right to document compliance in the form of follow-up meetings, inspections, audits and/or other means of mapping the working and environmental conditions at production and installation sites.

If the Supplier is found not to be in compliance with this Code of Conduct, Fusen may require the Supplier to make improvements. If the non-compliance is considered serious, and improvements are not made or not possible, Fusen may terminate contracts or in the case of hardware producers, black-list the products of the Supplier.

Signature, Solenergi FUSEN AS :

Signature, Supplier:

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Thor Christian Tuv,  
CEO  
Solenergi Fusen AS

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Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_