



Suppliers Code of Conduct

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Introduction

Gridspertise has the ambition to impact change in the broader industry and society to accelerate the transition to a sustainable energy future.

Our mission is to deliver a new era of sustainable and reliable smart grids through innovative, flexible, and customer-driven digital solutions that are circular by design.

Gridspertise's vision is to upgrade grid users' experience through cutting-edge sustainable solutions for the digitalization of energy transition actors, making the energy infrastructure fit for the evolving needs of grid users and electricity end customers, accelerating our electric future.

As a Company, Gridspertise actively contributes to the goals of the energy transition, cares about people and their development, prioritizes health and safety, and is careful to operate in accordance with ethical principles. It also ensures strong governance structures and management practices.

In line with the above, this Suppliers Code of Conduct aims to share Gridspertise's commitment and expectations towards its suppliers and stakeholders to ensure alignment of intentions and behaviors in terms of social and environmental responsibility.

For Gridspertise it is crucial that the principles described in this Code of Conduct are not only adhered to by direct suppliers but also by their sub-suppliers and expects that their entire supply chain complies with the standard outlined in this document.

By adhering to this Code of Conduct, the suppliers undertake to communicate whenever there are changes both in their behaviors and in those of their suppliers. In these cases, Gridspertise reserves the right to redetermine the continuation of the commercial relationship.

1. Energy Transition

The traditional energy system is experimenting with a profound transformation, with an ever-increasing shift from fossil-based to zero-carbon sources. This energy transition is essential for the future of our planet, but to create value it must be equitable, sustainable, and inclusive.

According to the United Nations Development Program, annual energy-related CO₂ emissions must be reduced by 70 percent from current levels by 2050 if we are to meet our climate goals. The Paris Agreement on Climate Change aims to limit the long-term temperature increase to no more than 1.5 degrees Celsius, while ensuring that global emissions peak as soon as possible, allowing us to quickly reach a balance between CO₂ emissions and removals in the second half of the century.

The urgency of climate change requires all Companies to play their part and actively support the goals of the energy transition, and it is precisely in this perspective that Gridspertise is committed to ensuring sustainability in its technology development and operational processes, carefully selecting options that minimize its footprint on both people and the planet. Gridspertise aims to expedite the sustainability journey of utilities with advanced cloud-edge solution technologies, thereby hastening the broader shift towards energy transition and the electrification of energy consumption.

1.1. Grid Digital Transformation

Reaching carbon neutrality by 2050, while global energy demand is also projected to increase by 50%, requires massive electrification across all sectors, and for an exponential growth of renewable energy. This makes grid modernization a global priority. Indeed, grids play the important role of enablers for the energy transition as they support the processes of decarbonization and electrification but, designed over a century ago, today's grids are not prepared for the current phenomena that are affecting the energy world:

- The transition to cleaner sources.
- The decentralization of generation.
- The spread of electric transport and electric heating systems.
- The transformation of customers from simple users to conscious players.
- The access to energy of increasing segments of the world population.
- The digitalization of the electrical networks.



Digitalization is the factor that makes the benefits of electrification and decentralization possible as it is crucial in deploying clean energy and constructing a future-proof reliable, resilient and safe grid in a short time frame and reducing investment costs. It is the only option to implement the energy transition at the required speed.

Digitalization is fundamental in revamping existing power grids and transforming them into highly sophisticated, intelligent, and efficient platforms. Without smart grids, it is not possible to connect all the renewable capacity necessary to decarbonize power generation and reap the full benefits of electrification.

Gridspertise is fully engaged and involved in the digital transformation of power grids, as its solutions portfolio boosts power grid intelligence up to the edge, allowing remote control and automation to effectively tackle power interruptions and outages, thereby increasing service reliability and quality. The Gridspertise portfolio also enables utilities to operate the network of the future, through solutions for flexibility and distributed energy resources management.

1.2. Our Commitment and SDGs

The pace of change in energy production, distribution, and consumption presents a challenge to utilities worldwide and to anyone who wants to accelerate the energy transition by starting with the digitalization of electricity distribution networks. As Gridspertise, we are deeply committed to helping energy transition stakeholders move into the future of energy, providing digital technologies and solutions that transform today's power networks into tomorrow's smart grids.

At Gridspertise, we partner with utilities around the world to upgrade their distribution systems by adding intelligence and preparing them for the future, and we offer grid intelligent devices, end-to-end cloud-edge platform solutions, and services to accelerate the digitalization of electricity distribution grids.

At the same time, our Company is committed to embracing environmental, social, and governance (ESG) practices aligned with the 17 Sustainable Development Goals set by the United Nations. Our primary focus is on enabling sustainability for our customers and implementing it in our operations. To achieve this, we are targeting three of the UN Sustainable Development Goals: SDG 7 "Affordable and clean energy", SDG 9 "Industry, Innovation and Infrastructure", SDG 12 "Responsible Consumption and Production", and SDG 13 "Climate Action".

These goals are the pillars of our approach to sustainability, and they are all linked to the concept of a just energy transition that leaves no one behind.

Gridspertise minimizes the environmental impact of grid operators' activities, designing and implementing cutting-edge and circular solutions, involving both industries and supply channels throughout the entire value chain.

Gridspertise design activities will enable DSOs to promote Net Zero ambition and to meet the main SDGs that apply to the power industry.

1.3. Entrepreneurship and Cooperation

Gridspertise's commitment to supporting the energy transition pathway in different geographies is also based on the promotion of collaborative practices with relevant stakeholders, such as industry players, and research institutions, with the aiming of spurring technological development and expanding its footprint globally.

At Gridspertise, we are committed to engaging stakeholders and being involved by others in creating shared value and a common environment conducive to the development of innovative strategies, products, and services. One example is already the international Co-Creation Program of Gridspertise's proprietary QEd – Quantum Edge® Device: this collaborative program aims to develop new applications and use cases for the innovative all-in-one device. Likewise, Gridspertise is open and willing to collaborate with other players in the electricity industry to develop the latest solutions to meet the needs of end customers and utilities in the most sustainable and future-proof way.

2. People and Labor

Gridspertise recognizes people and the environment in which they live as a fundamental point of its value chain and is committed to improving the level of wellness, equity, and inclusion.

We recognize and adopt the main international standards and principles established in the international agreements, refusing slavery, child, and forced labor. Moreover, Gridspertise adheres to advanced standards about inclusion and equity to further improve the working environment, valorize people's talent, and fight discrimination.

These principles reflect also extend to the local communities, not only through strict compliance with the local laws, but also by preferring those partners that foster collaboration, promote a culture of non-discrimination beyond the workplace, and realize projects that can elevate the technological development and well-being of local communities.

2.1. Child, slavery, and forced labor

Gridspertise rejects the use of child, slavery and forced labor, as defined by the relevant legislation and regulations in force in the country where the activities are carried out. Similarly, Gridspertise expects that all its suppliers to adopt and respect the same principles.

Gridspertise's Human Rights Policy (available at this [link](#)) expresses the commitments and responsibilities towards all human rights, particularly those applicable to the conduct of business and company activities undertaken by the people of Gridspertise S.r.l. and its subsidiaries, whether directors or employees. We expects that our suppliers to act in accordance with the principles set out in the Human Rights Policy and to adopt measures to ensure compliance.

In any case, suppliers must avoid and address adverse impacts on human and labor rights as listed in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

2.2. Compliance with local laws

Gridspertise abides by the laws and regulations of the countries where it operates, as well as internationally recognized agreements.

Gridspertise applies the contract related to the sector or industry most representative of the activity developed. In the absence of such a contract, our Company adheres to the standards set by local laws in terms of pay, working hours, and days.

The suppliers shall respect the same principles and undertakes to conduct audits of their suppliers to verify compliance with the afore-mentioned conditions.

2.3. Diversity, inclusion, and fair treatment

Gridspertise rejects any form of discrimination and is committed to ensuring that its employees and potential employees are treated with respect for diversity. It promotes equal opportunities throughout the employment relationship and at all stages of its development.

Employees shall be treated with dignity, respect, and fairness:

- Gridspertise does not discriminate in hiring, compensation, access to training, promotion, termination, retirement, working conditions, job assignments, benefits, and discipline based on personal characteristics.
- Gridspertise grants equality to all people both in hiring and on the workplace with no discrimination of gender, social status, age, disability, or religion.
- Gridspertise adopts inclusive policies to promote the development of the minorities and their social equality,
- Gridspertise does not permit any form of coercion, abuse, or harassment.

Similarly, we expect all our suppliers to adopt and respect the same principles, refusing to work with companies that have been condemned for discrimination and/or have adopted discriminatory behaviors.

2.4. Local communities

Gridspertise is committed to respecting the rights of local communities and contributing to their implementation, by cooperating with them to understand their needs through open communication and collaboration.

Gridspertise expects suppliers and sub-suppliers to engage and consult with potentially affected local communities, and to avoid causing or contributing to negative impacts on their human rights. This may include impacts on the environment, culture, land, infrastructure, natural resources, or other important factors to the fulfillment of human rights for local communities, including their health and livelihoods.

Suppliers and sub-suppliers are expected to respect local cultures and to contribute to the social and economic development of the local communities. Moreover, they must recognize the importance of the environmental protection by implementing sustainable practices and pollution prevention, which involve the health and safety of residents and reduce the potential for environmental or industrial incidents that could affect the communities.

3. HSEQ (Health, Safety, Environment, and Quality)

Gridspertise cultivates a supply chain ecosystem where health, safety, environmental sustainability, and uncompromising quality are core principles. We aim to partner with suppliers who share the same commitment to these values, ensuring that every product and service offered contributes to a safer, cleaner and higher quality world.

At Gridspertise, we are committed to the highest standards of Health, Safety, Environment, and Quality (HSEQ) across our operations and throughout our supply chain. Our goal is to create a collaborative environment where these principles are deeply embedded in every aspect of our suppliers' relationships to achieve excellence in HSEQ together.

By embedding HSEQ principles and standards into this Suppliers Code of Conduct, Gridspertise aims at building a reliable and resilient supply chain that consistently delivers excellence and fosters continuous improvement.

3.1. Occupational Health and Safety

Gridspertise is committed to ensuring high standards of health and safety at work. Gridspertise promotes the dissemination and consolidation of a safety culture among all employees by raising risk awareness and encouraging responsible behaviors through information and training activities.

Occupational health and safety for all employees and suppliers is a priority for Gridspertise, aiming to achieve 'zero accidents' and putting people's well-being before any operational requirements. No situation or service urgency can justify endangering anyone's life, physical integrity or safety.

Likewise, Gridspertise expects suppliers and sub-suppliers to at least:

- Comply with all applicable local laws and regulations to prevent accidents and injuries.
- Provide safe and healthy working conditions and take adequate precautions to protect employees from work-related and workplace hazards.
- Ensure that all legal requirements are met, including, but not limited to, those relating to occupational safety, emergency preparedness, occupational injuries and illnesses, industrial hygiene, physically demanding work, safeguarding of machinery, sanitation, food, and accommodation. Suppliers shall take appropriate measures to minimize the causes of hazards inherent in the working environment and provide adequate health and safety training to all its employees, workers, and contractors.
- Continuously improve working conditions and reduce workplace hazards and risks.
- Appropriately communicate, disclose and manage hazards inherent in their processes and products to ensure that affected or potentially affected third parties are protected. Likewise, major incidents shall be analyzed and communicated.
- Comply with product safety regulations, properly label products, and communicate product-handling requirements while transparently sharing information about the health, safety, and environmental aspects of their products with all relevant parties.

3.2. Environment

Gridspertise is committed to protecting the environment, improving resource efficiency in its operations, preventing pollution, and reducing environmental impacts by applying of the best available technologies and circular economy methods. This aligns with our clients' goals towards achieving a 'Net Zero Grid.' Concurrently, we are dedicated to ensuring sustainability in our technology development and operational processes, carefully selecting options that minimize our footprint on both people and the planet. In doing so, we support the expedited realization of the UN Sustainable Development Goals (SDGs) while simultaneously creating value for our stakeholders. Our Company embraces environmental, social, and governance (ESG) practices aligned with the 17 Sustainable Development Goals set by the United Nations.

Suppliers are encouraged to develop and implement practices that reduce negative environmental impacts and have processes in place to optimize the use of natural resources, reduce the release of harmful emissions in the environment, and produce environmentally compatible products and services that have extended product life, recyclability, reusability, and use of recycled content. Suppliers shall strive for environmental sustainability, particularly regarding the reduction of greenhouse gas emissions, water use, energy consumption, minimizing or eliminating the use of toxic substances, and minimizing and using environmentally compatible and recyclable packaging. We expect suppliers to strive to minimize adverse impacts on the environment, human health, and livelihoods, by establishing control mechanisms for the prevention of pollution from hazardous substances, waste and effluents, and air emissions. Suppliers should promote the sustainable and efficient use of natural resources and land, and to protect biodiversity.

Gridspertise expects Suppliers and Sub-Suppliers to at least:

- Comply with all relevant local and national environmental regulations, and maintain all applicable licenses, registrations, or permits, in countries where their operations are managed, or services provided. Suppliers are expected to operate in a responsibly, actively managing environmental risks across their operations.
- Prepare emergency response procedures and plans for exceptional environmental or safety situations, abnormal emission and dispersion conditions, and exceeding of air quality criteria, including immediate measures to protect human health, safety, and the environment.
- Operate a waste management system to responsibly handle the produced waste, with special attention to hazardous waste, in compliance with applicable regulations. Suppliers are expected to ensure that transboundary movements of hazardous wastes and their disposal are compliant with the applicable laws.

3.3. Quality Requirements

Gridspertise is committed to providing the market with products and services that guarantee high-quality standards. Likewise, Gridspertise expects its suppliers and sub-suppliers to meet generally recognized and contractually agreed quality requirements to provide goods and services that perform as required and are guaranteed to be safe.

Suppliers must adhere to the highest quality standards and continuously strive to improve all aspects of their operations. Gridspertise expects suppliers and sub-suppliers to at least:

- Implement quality management systems to ensure consistent delivery of high-quality products and services.
- Ensure product safety and compliance with all applicable regulatory and industry standards, including safety and quality specifications.
- Conduct regular inspections and testing to verify that products meet all specified quality criteria before delivery.
- Maintain traceability and documentation to keep comprehensive records of production processes, materials, inspections, and test results to ensure full traceability and accountability.
- Implement corrective and preventive actions to address non-conformities and prevent recurrence.

4. Ethics

At Gridspertise, we are committed to conducting our business with the highest standards of integrity and ethical behavior, ensuring that both our operations and those of our suppliers and sub-suppliers are conducted with fairness, transparency, and respect for all the stakeholders.

Gridspertise refers to the principles contained in the Code of Ethics, in the Zero Tolerance against corruption plan (Piano Tolleranza Zero contro la Corruzione - Piano TZC), in the Human Rights Policy, and the the Organizational model former decree 231/2001 (Modello di Organizzazione Gestione e Controllo ex Dlgs 231/2000) available at this [link](#). We refuse all forms of corruption and enforce policies to maintain high standards of transparency, honesty, and precision in our work activities. Gridspertise complies with anti-corruption laws, avoids conflicts of interest, and maintains fair competition practices. Therefore, Gridspertise requires its suppliers and sub-Suppliers to adhere to these same principles in their business activities and in managing their relationship with third parties.

Gridspertise is committed to complying with legal obligations regarding corruption and money laundering, child labor and women's protection, equal treatment, prohibition of discrimination, abuses and harassment; freedom of trade union, of association and of representation; forced labor; health and safety; environmental protection. We also ensure compliance with the applicable laws regarding wages, contributions, insurance, and fiscal conditions for all workers employed for any reason during the performance of its activities and/ or services.

In addition, Gridspertise fully aligns with the principles of the Global Compact, ensuring that all activities carried out by its personnel, or those of its suppliers, are in line with the above. The principles of the Global Compact cover the protection of human rights, the protection of workers, the protection of the environment, and the fight against corruption in all its forms.

Finally, Gridspertise is committed to respecting intellectual property and confidential information, ensuring no unauthorized use or disclosure.

4.1. Business Integrity

Gridspertise recognizes corruption as one of the factors undermining institutions and democracy, ethical values, justice, and the well-being and development of societies. Therefore, we reject it in all its forms.

For this reason, our Company is committed to this cause through the anti-corruption program. Accordingly, Gridspertise S.r.l is certified under ISO 37001:2016 “Anti-bribery management systems.”

Gridspertise expects suppliers and sub-suppliers to at least:

- Comply with the anti-corruption laws and regulations governing their operations in countries where they conduct business.
- Avoid engaging in any form of corrupt practices, including extortion, fraud, money laundering, or bribery, whether direct or indirect.
- Refrain from offering gifts or personal benefits to Gridspertise employees that could be perceived as bribes and that could improperly influence the business relationship.

Any potential corrupt activities can be reported to Gridspertise Compliance Function at FdC.gridspertise@gridspertise.com.

4.2. Conflict of Interest and Fair Competition

A conflict of interest arises when personal, financial, or other considerations may influence or compromise the supplier's ability to act impartially and in the interest of Gridspertise.

Suppliers must avoid any situation or relationship that could constitute a conflict of interest. They are required to promptly disclose any actual, potential or perceived conflicts of interest to Gridspertise and must ensure that their decisions are not influenced by personal gain or external pressures.

Suppliers must conduct their activities in accordance with fair business practices and must adhere to all applicable antitrust laws. This means avoiding any activity that could be considered anti-competitive. They must act honestly and ethically, contributing to a competitive marketplace that benefits consumers and promotes innovation.

Gridspertise expects its suppliers and sub-suppliers to adopt these principles, maintaining high standards of integrity in all business interactions.

Any potential conflict of interests or suspicious activities can be reported at this [link](#).

4.3. Intellectual Property

Gridspertise protects and only appropriately uses confidential information, ensuring that the privacy and the valid intellectual property rights of all employees' and business partners are protected. This includes ensuring that proprietary information, trade secrets, patents, trademarks, copyrights, and any other confidential information are not disclosed, used, or distributed without proper authorization.

Likewise, suppliers and sub-suppliers are expected to act the same way and take all the necessary measures to safeguard intellectual property and refrain from any activities that could result in unauthorized use or infringement.

5. Governance and Management Systems

Gridspertise implements and upholds sound governance structures and management practices/systems that ensure compliance with legal requirements and ethical standards. Through these systems, we aim to enhance stakeholder trust and drive sustainable success in all aspects of our business, fostering a culture of transparency and responsibility.

Likewise, suppliers and sub-suppliers must be vigilant and proactive in their compliance efforts, ensuring that all business practices are conducted legally and responsibly.

Adherence to these principles includes risk management, internal controls and continuous improvement processes that enable us to anticipate and proactively address challenges.

5.1. Confidentiality and Data Privacy

Gridspertise respects the confidentiality and right to privacy of its stakeholders, committing to the correct use of data and information provided, in accordance with applicable regulations and laws.

Gridspertise expects suppliers and sub-suppliers to at least:

- Comply with all the information security, personal data protection, and intellectual property laws applicable in the countries where their operations and services are carried out, maintaining the same standard of data protection and security governance guaranteed by Gridspertise. This means implementing all the security measures required by the data protection law and deemed adequate in relation to the processing of personal data, as well as any other preventive measure recommended by experience and best practices of the sector.
- Systematically develop and govern necessary processes, policies, and controls to achieve sufficient operational information security risk management capabilities, cyber resilience and business continuity preparedness in their operating environment.
- Protect their business-critical information assets, including any personal and sensitive information, from unauthorized access and disclosure through appropriate physical and electronic information security measures, guaranteeing the same levels of confidentiality developed by Gridspertise.

5.2. Systems, Documentation, and Evaluation

Suppliers and sub-suppliers are required to develop, implement, use, and maintain management systems and controls to provide accurate records and documentation that demonstrate compliance with the requirements described in this document.

Management systems should include at least the following:

- Policies and procedures
- Training and Communication
- Risk management

The main documentation/records must be available for review by Gridspertise upon request and should include at least:

- Employee records
- Health and Safety records
- Environmental records
- Compliance records

Suppliers and sub-suppliers must ensure regular evaluation and continuous improvement and are expected to at least:

- Conduct internal audits
- Cooperate with audits conducted by Gridspertise
- Implement measures to monitor performance in key areas
- Develop and implement corrective action plans to resolve and prevent issues

6. References

6.1. External Sources

SOURCES	
International Bill of Human Rights	https://www.ohchr.org/en/what-are-human-rights/international-bill-human-rights
International Labour Organization (ILO)	http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm.ilo.org
European Supplier Diversity Project (ESDP)	https://esdp-org.eu/
Universal Declaration on Human Rights	https://www.ohchr.org/en/universal-declaration-of-human-rights
United Nations Global Compact	https://unglobalcompact.org/take-action/accelerators
OECD Guidelines for Multinational Enterprises	http://www.oecd.org
ISO 26000 - Social Responsibility	https://www.iso.org/iso-26000-social-responsibility.html
SA8000 Standard	https://sa-intl.org/it/programs/sa8000/
ISO 37001 – Anti-bribery management systems	https://www.iso.org/iso-37001-anti-bribery-management.html

6.2. Internal Sources

SOURCES	
Human Rights Policy	https://www.gridspertise.com/about/our-governance
Code of Ethics	https://www.gridspertise.com/about/our-governance
Organizational Model under Legislative Decree 231/2001 (general part)	https://www.gridspertise.com/about/our-governance
Zero Tolerance of Corruption Plan	https://www.gridspertise.com/about/our-governance
International Sanctions Policy	https://www.gridspertise.com/about/our-governance
Whistleblowing	https://www.gridspertise.com/about/our-governance
Tax Governance	https://www.gridspertise.com/about/our-governance
Integrated Policy for Quality, Occupational Health and Safety, Environment and Anti-bribery and Information Security	https://www.gridspertise.com/integrated-policy
Declaration of Commitment to Health and Safety	https://www.gridspertise.com/workwithus/procurement/become-a-supplier
Stop Work Policy	https://www.gridspertise.com/workwithus/procurement/become-a-supplier
Privacy Policy	https://www.gridspertise.com/privacy-policy

"Gridspertise is committed to protecting the personal data provided to it. Therefore, the management and security of such data are guaranteed with the utmost attention, in compliance with the requirements of Regulation (EU) 2016/679 - GDPR and the Privacy Code (Italian Legislative Decree 196/2003), as amended by Italian Legislative Decree 101/2018. In the case of the processing of personal data, Gridspertise undertakes to provide the relative disclosure pursuant to the regulation above-mentioned. For further information, you may contact dpogridspertise@gridspertise.com"

www.gridspertise.com

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If you have any doubt,
please contact us!

Procurement

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