

# Supplier Code of Conduct

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## Introduction

At CMC Energy Services, Inc. ("CMC"), we hold ourselves and our partners to the highest standards of ethical business practices. This Supplier Code of Conduct ("Code of Conduct") sets forth the expectations and requirements for all suppliers, contractors, and vendors (collectively referred to as "Suppliers") providing goods and services to or on behalf of CMC. By adhering to this Code of Conduct, Suppliers help us fulfill our mission to provide sustainable, reliable, and high-quality energy solutions, while ensuring mutual success and long-term partnerships.

## 1. Compliance with Laws and Regulations

Suppliers must maintain full compliance with all local, state, federal, and international laws, regulations, and industry standards. This includes, but is not limited to, compliance with laws regarding labor, environmental protection, anti-bribery, anti-corruption, trade, and fair competition. Suppliers must also ensure they remain up to date with any changes to these laws and apply them accordingly in their operations, while reflecting CMC's corporate values in all business practices.

Suppliers must promptly notify CMC of any legal proceedings or investigations that may affect their ability to fulfill their obligations.

## 2. Supply Chain Transparency and Accountability

Suppliers are expected to uphold high standards of transparency and accountability throughout their supply chains. This includes ensuring that any subcontractors or third-party entities involved in delivering goods or services to CMC adhere to the same ethical and legal standards outlined in this Code of Conduct.

Suppliers must maintain accurate and complete records of their supply chain processes and be willing to disclose this information to CMC upon request. Regular self-audits and third-party assessments of supply chain practices should be conducted to ensure compliance with all legal and ethical requirements, including responsible sourcing and environmental sustainability.

### 3. Business Integrity and Ethics

- **Anti-Corruption and Anti-Bribery:** Suppliers must strictly prohibit all forms of corruption, including bribery, extortion, and embezzlement. Suppliers must not offer, give, solicit, or receive any undue payment or advantage, whether directly or through intermediaries, to influence business decisions.
- **Fair Dealing and Competition:** Suppliers are expected to engage in fair competition, avoiding deceptive practices or any actions that would give them an unfair advantage in the marketplace. This includes compliance with antitrust laws, price-fixing prohibitions, and avoidance of unfair market manipulation.
- **Conflict of Interest:** Suppliers must take steps to avoid any situation that creates, or could be perceived to create, a conflict of interest in their dealings with CMC. Any potential conflicts should be disclosed promptly to CMC for resolution.

### 4. Anti-Money Laundering and Export Control Compliance

Suppliers must comply with all applicable anti-money laundering (AML) laws and regulations. Suppliers are expected to have measures in place to detect, prevent, and report suspicious activities related to money laundering or financing of illegal activities. Suppliers must also adhere to all applicable export control and economic sanctions laws and regulations when engaging in international trade, ensuring compliance with all necessary licensing and export documentation requirements.

### 5. Human Rights and Labor Standards

- **Respect for Workers:** Suppliers must uphold the human rights of their employees and treat them with dignity and respect. This includes providing a work environment free from discrimination, harassment, or any form of abuse. Workers should be employed based on merit, without regard to race, gender, ethnicity, religion, age, or any other characteristic protected by law.
- **Wages, Benefits, and Working Hours:** Suppliers must comply with all applicable wage and hour laws, including those pertaining to overtime pay, minimum wage, and legally mandated benefits. Workers must not be required to work excessive hours, and all overtime should be voluntary and compensated in accordance with the law.
- **Freedom of Association and Collective Bargaining:** Suppliers must respect the right of workers to join or refrain from joining labor unions and to engage in collective bargaining, without fear of retaliation or discrimination.
- **Child and Forced Labor:** Suppliers shall not engage in or support the use of child labor or forced labor, including bonded, indentured, or involuntary prison labor. Workers should be

free to terminate their employment at any time and must not be coerced or forced to work under any threat of punishment or harm.

## 6. Health, Safety, and Environmental Stewardship

- **Workplace Safety:** Suppliers are expected to provide a safe and healthy working environment for all employees. This includes compliance with all occupational health and safety laws, regulations, and industry standards, as well as implementing effective safety management systems. Suppliers must take proactive measures to prevent workplace accidents, injuries, and illnesses by controlling and mitigating risks associated with their operations.

Suppliers are required to immediately notify CMC of any safety issues, incidents, accidents, or violations of safety regulations that occur within their operations or supply chain. Suppliers must take swift corrective actions to address these incidents and ensure the safety of all workers involved.

- **Environmental Responsibility:** Suppliers must adhere to all applicable environmental laws and regulations, minimizing their environmental impact through sustainable practices. Suppliers should actively work to reduce waste, emissions, and pollution, while promoting energy efficiency and responsible use of natural resources. CMC encourages Suppliers to align with our sustainability goals by implementing their own initiatives to support a carbon-free future.

## 7. Cybersecurity, Data Protection, Confidentiality, and Intellectual Property

- **Cybersecurity:** Suppliers must implement robust cybersecurity measures to safeguard CMC's information, systems, and assets. This includes preventing unauthorized access, data breaches, and cyberattacks. Suppliers must ensure that their employees use secure passwords, access controls, and encryption when handling CMC's digital assets.
- **Data Protection and Privacy:** Suppliers must comply with all applicable data protection laws, ensuring that any personal or sensitive information related to CMC, its customers, or employees is handled securely and confidentially. Suppliers are responsible for notifying CMC immediately in the event of a data breach or security incident.
- **Confidentiality:** Suppliers shall take appropriate steps to safeguard and maintain confidential and proprietary information, including of CMC, its affiliates, its customers, and its other business partners, and shall use such information only for the business purpose for which it was provided. Suppliers are responsible for notifying CMC immediately in the event of any breach of such obligations of confidentiality and non-use.

- **Intellectual Property:** Suppliers must respect CMC's intellectual property rights, ensuring that proprietary information is used only for the intended purpose and protected against unauthorized use, disclosure, or theft.

## 8. Diversity, Equity, and Inclusion

CMC is committed to fostering diversity, equity, and inclusion, and we expect our Suppliers to share this commitment. Suppliers must promote diversity in their hiring practices and create an inclusive environment that respects diverse perspectives, experiences, and identities. CMC encourages Suppliers to provide opportunities for underrepresented groups, including minority-owned, women-owned, and veteran-owned businesses, within their supply chains.

Suppliers should take active steps to advance diversity and equity both within their own organizations and in their relationships with subcontractors and partners.

## 9. Grievance Mechanism and Worker Rights

Suppliers must implement accessible and transparent grievance mechanisms to allow employees to report any concerns related to violations of human rights, labor practices, or unsafe working conditions. These mechanisms should ensure that grievances are handled promptly and fairly, with no retaliation against workers for raising concerns.

Suppliers must also ensure that workers are aware of their rights and have access to the resources and support they need to report any violations.

## 10. Performance Metrics, Monitoring, and Continuous Improvement

CMC is committed to fostering long-term partnerships with Suppliers who demonstrate continuous improvement in their practices and performance. Suppliers must implement performance metrics to monitor their adherence to this Code of Conduct and demonstrate their commitment to ethical business practices.

CMC reserves the right to conduct regular audits, assessments, and evaluations of Supplier performance. Any non-compliance identified must be addressed promptly through corrective actions, and CMC may work with Suppliers to develop improvement plans where necessary.

## 11. Reporting Violations and Non-Retaliation

Suppliers must report any known or suspected violations of this Code of Conduct to CMC through the appropriate channels. Suppliers are encouraged to speak up if they become aware of any unethical practices or breaches of law within their operations or supply chains. CMC maintains a

strict non-retaliation policy, ensuring that individuals who report concerns in good faith are protected from retaliation.

## **12. Right to Audit and Termination**

CMC reserves the right to audit and assess Supplier compliance with this Code of Conduct at any time. Suppliers are expected to fully cooperate with any audits or assessments conducted by CMC, or third parties designated by CMC.

If a Supplier is found to be in violation of any aspect of this Code of Conduct, CMC may, at its sole discretion, require the Supplier to take corrective actions. In cases of serious violations or failure to address identified issues, CMC reserves the right to terminate the business relationship, including any contracts or agreements in place, without notice or liability.

## **Conclusion**

By adhering to this Code of Conduct, Suppliers help CMC uphold its values of integrity, sustainability, and excellence. We are committed to working collaboratively with our Suppliers to foster a business environment that promotes ethical practices, environmental stewardship, and social responsibility. We look forward to building strong, mutually beneficial relationships with Suppliers who share our commitment to these principles.