



# SUPPLIER CODE OF CONDUCT

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Contents

- Message from the CEO ..... 2
- Business Ethics ..... 3
  - Compliance with Laws ..... 4
  - Anti-Corruption ..... 4
  - Anti-Bribery ..... 4
  - Background Investigations and Convictions Disclosure ..... 4
- Conflicts of Interest ..... 5
  - Conflicting Interests ..... 5
  - Gifts, Entertainment, and Hospitality ..... 5
- Prohibited Collusive Conduct ..... 5
- Environmental Responsibility ..... 5
  - Compliance ..... 6
  - Impact Management ..... 6
  - Prevention ..... 6
- Labor and Employment ..... 6
  - Diversity and Inclusion ..... 6
  - Anti-Racism ..... 6
  - Fair Labor Practices ..... 6
  - Harassment ..... 7
  - Freedom of Association ..... 8
- Health and Safety ..... 8
  - Alcohol and Controlled Substances ..... 8
  - Violence ..... 9
- Ethical Business Practices and Responsible Management Practices ..... 9
  - Records and Accounting ..... 9
  - Data Privacy and Sensitive Information ..... 9
  - Confidential Information and Intellectual Property ..... 10

## Message from the CEO

Partners,

At Franklin Energy we work towards boldly changing our energy future through a strong commitment to ethics, which is the foundation of our business. Our team of experts operates with the highest standards guided by our values, and we believe that our business partners must share this commitment to operating with integrity and transparency.

This Supplier Code of Conduct is a guide to the ethical principles that we expect our partners to uphold. As an extension of our operations, any person or entity performing work on behalf of Franklin Energy or supplying us and our clients with products must comply with the standards listed herein. It is critical that violations of this Code are reported. Therefore, retaliation is not tolerated. We are all accountable, so means of reporting concerns are provided.

Our suppliers are critical to our success and to ensuring that the trust placed in us by our clients and their customers is well earned. We thank you for sharing our commitment to a strong, ethical culture.

A handwritten signature in black ink, appearing to read "Terry Sobolewski".

Terry Sobolewski  
Franklin Energy, CEO

## Business Ethics

Franklin Energy and its affiliates (“Company”) insists that its business be conducted in full compliance with all applicable local, state, and federal laws and regulations, the applicable contracts, and this Supplier Code of Conduct (“Supplier Code of Conduct”). The Supplier Code of Conduct applies to all companies or independent contractors from which Franklin Energy is receiving goods or services, and their respective personnel, agents, and subcontractors) (collectively, “Suppliers”, or a “Supplier” if individually). Suppliers include suppliers, vendors, contractors, individual contractors, service providers, consultants, and subcontractors. Failure to obey laws, regulations and contractual terms and conditions violates this Supplier Code of Conduct and may expose both the Supplier and the Company to criminal or civil liability. As Suppliers conduct the Company’s business, they may encounter a variety of legal issues. If a Supplier has a question on a specific law, regulation or other legal issues, the Supplier should consult with their legal counsel to ensure compliance. A Supplier must promptly inform the Company when any situation develops that causes the Supplier to operate in violation of this Supplier Code of Conduct.

The Company will take steps as it deems necessary and appropriate to ensure that Suppliers’ business practices are consistent with this Supplier Code of Conduct. Suppliers shall maintain accurate and up-to-date records of their compliance with this Supplier Code of Conduct and applicable laws and regulations. The Company reserves the right to audit its Suppliers from time to time to confirm compliance with the provisions of this Supplier Code of Conduct. Suppliers are expected to cooperate and render the Company necessary assistance as may be required to evaluate Suppliers’ compliance with this Supplier Code of Conduct. Suppliers acknowledge that the Company may, at its sole discretion, modify this Supplier Code of Conduct, to add new requirements or to strengthen the existing requirements.

1. All Suppliers shall act with honesty and integrity and address ethically all actual or apparent conflicts of interest between personal and professional relationships.
2. All Suppliers shall ensure that working conditions of their own operations and their supply chains are safe, that their personnel is treated with dignity and respect and in compliance with all applicable laws and regulations.
3. Suppliers shall conduct business in environmentally responsible and sustainable manner.
4. No Supplier shall take unfair advantage of anyone within or affiliated with the Company.
5. No Supplier shall use Company assets other than for legitimate Company business purposes.
6. No Supplier shall give to or accept from Company employees any gifts in exchange for favorable treatment, new business or a continued business relationship.
7. No Supplier shall take for its own gain any business opportunity that properly belongs to the Company.
8. No Supplier shall use for its own advantage confidential information acquired in the course of his or her relationship with the Company.
9. No Supplier shall knowingly or recklessly misrepresent material facts or allow his or her independent judgment to be compromised.
10. All Suppliers shall comply faithfully with all applicable laws, rules and regulations of federal, state, and local governments, and all applicable private or public regulatory agencies.
11. Suppliers shall endeavor to provide information that is full, fair, accurate, timely and understandable in all reports and documents
12. All Suppliers shall proactively promote ethical behavior among peers and subordinates in the workplace and their respective supply chains.

## Compliance with Laws

A Supplier shall comply with all applicable national, state and local laws and regulations, including laws and regulations relating to all the supplier standards. Where this Supplier Code of Conduct requires Supplier to meet a higher standard than set out by law or regulation, Supplier shall meet such higher standards.

## Anti-Corruption

We are committed as a Company to conducting our business in an honest and ethical manner, with the highest standards of integrity, and in compliance with all applicable anti-corruption and anti-bribery laws and regulations. Corruption is the misuse of office or power for private gain or the misuse use of power in relation to business. Acts of corruption are designed to influence an individual in the performance of his or her duty and include them to act dishonestly. In doing business globally, no supplier shall directly or indirectly offer, pay, promise, authorize or receive any bribe, kickback, or other illicit payment or benefit in violation of this policy or laws.

## Anti-Bribery

Franklin Energy has zero tolerance for any corruption will not do business with a Supplier engaging in corrupt business practices. A Supplier shall not make any payment of or accept money or anything of value to any person with the intent to gain or retain business. Bribery is the offer, promise, giving, demanding or acceptance of a payment, benefit or other advantage as an inducement for action that is illegal, unethical or a breach of trust. The Company prohibits bribery of domestic and foreign government officials, political parties, candidates for a public office, or any private person. This includes the offer and/or receipt of any bribe or kickback to and/or from any customer, supplier or others. Suppliers must comply with all applicable anti-corruption laws that govern operations in the countries in which Suppliers do business. These laws include, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act

The Foreign Corrupt Practices Act (the "FCPA") criminalizes the bribery of foreign officials anywhere in the world for the purpose of influencing an official decision to obtain a business benefit. It also requires relevant companies to meet certain standards regarding accounting practices, books and records and internal controls.

## Background Investigations and Convictions Disclosure

Suppliers shall conduct background investigation of its personnel as may be requested by the Company and shall inform the Company of:

- any current or pending criminal investigations, proceedings or charges against the Supplier or its personnel;
- any prior criminal charges, convictions or proceedings against the Supplier or its personnel;
- any current or pending civil or regulatory proceeding against the Supplier or any of its employees involving allegations of fraud, dishonesty, or unethical conduct

Company reserves the right to request, and Suppliers agree to provide, the necessary personal identifying information for owners, principals or selected officers of the Supplier for the Company to perform background checks or complete credit histories as Company deems appropriate, in its sole discretion.

## Conflicts of Interest

### Conflicting Interests

The Company expects all Suppliers to avoid all actual, potential, or perceived conflicts of interest while engaged in any Company-related work. Conflicts of interest include any circumstances that could impair the Supplier from objectively and effectively performing work on behalf of the Company. In the event of an actual, potential, or perceived conflict of interest the Supplier is to notify the Company and all affected parties immediately. This includes both organizational and personal conflicts of interest (including interests of employees or their immediate family members).

Examples of conflicts of interest include but are not limited to close personal relationships between Supplier and a person within the Company or a competitor of the Company, client, advisor, or regulator, or Supplier's supply chain, or Supplier having a significant business or investment interest in a competitor, client, advisor, or regulator.

### Gifts, Entertainment, and Hospitality

Suppliers shall not accept from or offer gifts, entertainment, or hospitality of a significant value to Company employees. The Company also prohibits its employees from accepting or giving gifts, entertainment, or hospitality to Suppliers doing business with or seeking to do business with the Company. Any gifts exceeding in value of fifty dollars (\$50) will require review and approval by the legal department of the Company.

Gifts, entertainment and hospitality (gestures) include the receipt or offer of gifts, meals, tokens of appreciation, or invitations to events or other social gatherings to customers, potential customers, suppliers or other persons connected with our business.

Unacceptable gestures that are prohibited include:

- Any gesture offered for something in return ("quid pro quo")
- Gifts in the form of cash or cash equivalents (such as gift cards, vouchers)
- Entertainment of an unsavory or potentially offensive nature
- Gestures given immediately prior to, during or immediately after an expected or actual tender is issued or when the parties engage, or anticipate to engage, in contract negotiations that would give rise to the appearance of impropriety or is prohibited by law
- Any gift, gesture or other offering which reflect adversely on the Company's reputation, business, brand or integrity

## Prohibited Collusive Conduct

Suppliers will uphold standards of fair business and competition. Sharing or any competitive information or competitive advantage of the Company with any competitor of the Company or engaging in any other collusive, anti-competitive conduct is expressly prohibited.

## Environmental Responsibility

The Company is committed to protecting human health and natural resources, promoting environmental stewardship, and implementing innovative environmental technologies and practices. As an environmental leader, the Company requires that Suppliers operate in an environmentally responsible manner which includes conducting business in full compliance with all applicable environmental laws and regulations. Management measures should include the following:

## Compliance

Suppliers must be in full compliance with all applicable environmental laws, regulations, and standards. Contract documents with the Company may call for additional requirements based on specific products or services provided by the Supplier.

## Impact Management

The Company encourages Suppliers to measure, set targets, and reduce the impact of their operations on the environment, including setting a carbon reduction goal. We further encourage our suppliers to make public such activities (e.g., through corporate responsibility reporting, reporting through CDP, or other mechanisms).

## Prevention

Suppliers shall make every effort to reduce or eliminate waste and pollution. Wherever possible composting and recycling should be utilized for waste management. All hazardous materials shall be disposed of responsibly and according to regulation. Materials used should be responsibly sourced and environmentally safe to any extent possible.

## Labor and Employment

### Diversity and Inclusion

The Company pledges a relentless pursuit to embody a culture that acknowledges, recognizes, and infinitely seeks to understand the unique differences of its people. Through our formalized Supplier Diversity Initiative, we are committed to providing the maximum practicable business opportunities to diverse business enterprises, including small businesses, and women, minority, service-disabled veteran and LGBT-owned business enterprises. This business initiative that provides potentially utilized business enterprises equal access to business partnering opportunities.

Suppliers are encouraged to develop similar supplier diversity programs and are expected to accurately report diverse subcontracting to Franklin Energy.

### Anti-Racism

The Company is an anti-racism organization, creating and upholding an environment where all employees regardless of race or the color of their skin know they are valued. As an anti-racism organization, the Company requires all Suppliers to prohibit discrimination in the workplace and comply with all anti-discrimination and equal employment opportunity laws. Suppliers should proactively promote environments that challenge issues of race and color and the impacts that they have and promote diversity and equal opportunity.

### Fair Labor Practices

Suppliers must not engage in any harsh or inhumane treatment of its workers. Verbal abuse, bullying, or other forms of intimidation are prohibited. Suppliers will respect dignity and personal rights of their workers at all times. Wellbeing of employees, contractors, and supply chain shall not be compromised. Suppliers shall not require their personnel to work beyond daily and weekly work hour limits as defined and regulated by local, state, and federal law. Suppliers must provide fair compensation for all workers, including employees who are permanent, temporary, part-time, full-time, apprentices, or contract workers. Wage payments and benefits shall meet the legal minimum standards and comply with all applicable laws and regulations. All employees shall be provided with a clear, timely, and

understandable wage statements that include sufficient information to verify accurate compensation for work performed. Suppliers may not use deductions from wages as a disciplinary measure. Any deductions from wages not provided for by national and/or local law are permitted only with documented proof of express, written, and freely given permission of the worker concerned. All disciplinary measures must be recorded and comply with applicable law.

## Harassment

Suppliers shall not tolerate unlawful harassment directed at an employee, customer, vendor or other supplier because of his/her race, color, creed, religion, disability, sex, sexual orientation, gender identity, national origin, ancestry, veteran status, or any other protected classification as specified by local, state and federal law.

**What kinds of harassment are prohibited?** The Company's policy is to provide an atmosphere free from discriminatory intimidation, ridicule, and insult based upon race, color, creed, religion, disability, sex, sexual orientation, national origin, ancestry, veteran status or any other protected classification as specified by local, state and federal law.

**What is sexual harassment?** Unwelcome conduct of a sexual nature constitutes sexual harassment if any of the following apply:

- Submission to such conduct is explicitly or implicitly made a term or condition of employment
- Submission to or rejection of such conduct affects decisions affecting employment; or such conduct has the purpose or effect of creating a sexually hostile work environment
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different gender. The following are examples of unwelcome conduct that could violate this policy:

- Sexual advances or requests for sexual favors
- Verbal conduct of a sexual nature, e.g., comments about an individual's body, physical attributes, sexual activities, etc.
- Displays of a sexual nature, e.g., calendars, photographs, magazines, etc. (including through e-mail)
- Offensive sexual jokes
- Sex-based harassment, or harassment not involving sexual activity or language (e.g., male manager yells only at female employees and not males), may also constitute discrimination if it is directed at employees because of their sex

**Unlawful harassment on the basis of other protected characteristics.** Unlawful harassment may be based on sex, but it can also be based on an individual's race, color, national origin, age, disability or any other characteristic protected by federal, state or local law.

Harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of the individual's race, color, religion, sex, gender identity, age, national origin,



disability, pregnancy, marital status, sexual orientation, citizenship status, genetic information or any other characteristic protected by law. This includes any conduct that:

- Has the purpose or effect of creating an intimidating, hostile or offensive work environment
- Has the purpose or effect of unreasonably interfering with an individual's work performance
- Adversely affects an individual's employment opportunities

The following are examples of potentially harassing conduct:

- Comments regarding an individual's physical appearance or attributes
- Mimicking an individual's accent or speech pattern
- Use of racial or ethnic epithets
- The telling of derogatory or offensive jokes
- Threatening, intimidating or hostile acts
- Harassing letters, phone calls or gifts
- Comments about an individual's age or disability

**No retaliation.** The Company prohibits retaliation against anyone who in good faith makes a report of a violation of this Code of Conduct or who assists in the investigation of such a complaint. Any Supplier who retaliates for making a complaint under this Code of Conduct will be subject to review, up to and including termination of contract and referral to appropriate regulatory or law enforcement authorities.

#### Freedom of Association

Suppliers shall respect the rights of the workforce to associate freely, establish labor unions, seek representation and join workers' councils in accordance with local laws and without fear of retaliation.

#### Health and Safety

The safety of the public, employees and Suppliers is the Company's highest priority. The Company expects Suppliers to share its commitment to a safe work environment. Suppliers have a responsibility to establish safety and human resources procedures that promote safety and compliance with all applicable laws, standards, rules and procedures designed to promote workplace safety. This is a condition of engagement as a Supplier to the Company. Suppliers are strongly encouraged to provide to their workers' health and safety training during employee orientation and repeat it as required by the applicable regulations or as may be necessary depending on the workers' respective duties and responsibilities. Supplier personnel are expected to demonstrate knowledge of safe practices for assigned work tasks to reduce likelihood of injury. Additional requirements specific to the work provided by Suppliers may be specified in contractual language in the applicable subcontract agreements.

#### Alcohol and Controlled Substances

The Company recognizes that alcohol abuse and drug use can pose a significant threat to our commitment to workplace safety. All Suppliers shall prohibit to its personnel the use, possession, purchase, or sale of alcohol or controlled substances during the execution of work for or on behalf of the Company.

Noncompliance with this requirement will result in the offending worker's termination from a project and may result in termination of a Supplier's contract with the Company.

The Company will comply with any State regulations or contractual requirements to the extent that they differ from this policy.

### Violence

The Company will not tolerate any type of workplace violence. Suppliers shall not make any threats or engaging in threatening or violent behavior at any time during the execution of work for or on behalf of the Company.

Inappropriate violent behavior may include, but is not limited to, the following:

- Making threatening gestures or remarks
- Intimidating, bullying, or harassing another person
- Causing or threatening to cause physical injury
- Vandalism, arson, or sabotage
- Intentionally causing physical damage to Company or another individual's property
- Using or possessing a firearm or other weapon on Company property

### Ethical Business Practices and Responsible Management Practices

#### Records and Accounting

We expect our Suppliers to maintain financial records that are full, fair, accurate, and understandable. Suppliers are expected to cooperate with the Company in the event of a review or audit of financial records relating to suppliers' engagement with the Company.

Accurate, reliable, retrievable and compliant records, information, data and disclosures are critical to the Company's meeting its legal, financial, regulatory and management obligations. Suppliers shall make best efforts to ensure that facts are not misstated, misrepresented, or material information is not omitted from the records provided to the Company in response of an audit request. Records, information, data, disclosures and communications to the Company shall be complete, fair, accurate, timely and understandable to the best of Suppliers' knowledge. The true nature of any transaction shall never be hidden, altered, falsified or disguised, nor any endorsements, approvals or authorizing signatures for any payment forged. Records, information, data or disclosures known to be false or misleading shall not be submitted, entered, processed or approved and shall be reported to Supplier's business contact at the Company.

#### Data Privacy and Sensitive Information

Suppliers must properly protect sensitive information, including confidential, proprietary, and personal information. Suppliers must comply with all applicable privacy and information security laws and regulatory requirements when accessing, processing, storing, transferring, or otherwise handling information and data about or from customers, consumers, employees or other suppliers. Suppliers shall use information that is made available to them by the Company, or a client of the Company, or any clients' customers only for the purpose for which the information was made available to them and not for any other purpose. Suppliers shall timely respond to information security questionnaires or information security assessment that may be required by the Company. Suppliers commit to implement appropriate technical, physical, and administrative measures to ensure security and safety of the information that may be shared with the Suppliers by the Company.

## Confidential Information and Intellectual Property

Confidential and protected information includes without limitation legal documents, contracts, proposals, information about a specific employee or customer (including name, address, Social Security number, phone numbers, contact names or billing data), intellectual property and trade secrets (e.g., competitive strategy, trading, investment, costs, supplier name/contract/pricing information, finance methods), business protheses, methodology, business strategy, marketing information, financial information, and any other non-public information.

Revealing confidential or protected information obtained while working for the Company is a violation of this Supplier Code of Conduct, contractual nondisclosure obligations, and potentially the law. Suppliers shall report any suspected data breach or any unauthorized access to, or any unauthorized disclosure of confidential or proprietary information of the Company, Company's Clients and/or end customers immediately following the detection of such unauthorized access or disclosure.

Suppliers shall not share confidential information with any third parties unless authorized in writing by the Company and shall strictly comply with the obligations set forth in the applicable non-disclosure agreements.

In the event Suppliers gains access to confidential information when there is no non-disclosure agreement in place between the Company and a Supplier or Suppliers:

Suppliers may disclose confidential information only to those of its officers, directors, employees, contractors, agents and consultants ("Representatives") who have a business need to know such information. Confidential or protected information shall not be used for Suppliers' own gain or for an advantage or benefit of any third party or copied or shared without prior written approval of the Company.

Suppliers shall maintain and protect the confidentiality, integrity and availability of information entrusted to it by the Company, except when disclosure is legally mandated or is authorized by the Company. These requirements include ensuring the following:

- Suppliers' obligations to protect confidential or protected information shall continue until the Company informs it otherwise, even after an assignment at the Company ends.
- Suppliers shall not store Company internal, confidential or protected information on any device that is not owned by the Company without written approval.
- Suppliers shall label documentation developed for the Company as "Franklin Energy Confidential" in the footer of every document page.