

Supplier Code of Conduct

Purpose

The Landsvirkjun Supplier Code of Conduct is based on the United Nation's Universal Declaration of Human Rights and the ten principles of the UN Global Compact.

Creating and maintaining business relationships based on integrity and respect is an integral part of Landsvirkjun's commitment to procuring goods and services in accordance with responsible business principles.

We work hard to understand our environmental impact and to minimise any adverse impacts. We intend to become carbon neutral and are systematically working towards reducing our greenhouse gas emissions, not least in our value chain.

Our Supplier Code of Conduct outlines the expectations and standards of behaviour that we expect from our suppliers when conducting business with us. We expect our suppliers to adhere to this Code or their own official code, which enforces similar workplace practices Landsvirkjun evaluates as equivalent. This Code sets out the minimum requirements expected by us, and we reserve the right to outline more detailed provisions in any contract where applicable.

Landsvirkjun reserves the right to audit its Suppliers' compliance with this Supplier Code of Conduct.

Scope

This Supplier Code of Conduct (hereinafter Code) applies to all counterparties whom Landsvirkjun does business with. The term "supplier" includes any individuals or businesses that Landsvirkjun procures supplies, services and works from (hereinafter "Supplier").

Landsvirkjun requires Suppliers to fully comply with all applicable laws and regulations in their respective sectors. Suppliers should inform Landsvirkjun if relevant laws contradict the principles in this Code.

Supplier Code of Conduct

Human Rights

General

Suppliers shall uphold the internationally recognised human rights outlined in the Universal Declaration of Human Rights and other international treaties and comply with Landsvirkjun's chain liability provisions.

Child Labour

Suppliers shall uphold the legal requirements in the respective country regarding the minimum legal age of employment, work hours and right to education. Children under the legal age of employment shall not undertake work that could harm their health or safety.

Forced Labour & Modern Slavery

All types of forced and compulsory labour are prohibited. Suppliers shall ensure that employees are employed of their own free will and are free to leave work or terminate their employment with reasonable notice or in accordance with established legal requirements.

Wages & Benefits

Suppliers guarantee that wages paid to employees are equal to the minimum wage prescribed by law/ collective agreements with unions on wages in the respective country. Suppliers respect collective agreements and/or the law on the payment of overtime.

Suppliers shall comply with the laws/regulations on labour rights and collective agreements on work hours and rest, holiday entitlement, sickness pay and other benefits. Suppliers shall comply with the



relevant legal obligations regarding pension contributions, official costs, and additional costs on behalf of their employees.

Freedom of Association & Collective Bargaining

Suppliers shall respect and recognise employees' rights regarding freedom of association and collective bargaining in the respective country. If the rights to freedom of association and collective bargaining are restricted in the respective country, then the Supplier should encourage employees to elect a representative to protect their rights in the workplace.

Equal Rights & Non-Discrimination

Suppliers shall promote a work culture of equality, tolerance, and mutual respect free from discrimination against gender, race, religion, age, disability, sexual orientation, nationality, political opinions or other. Suppliers do not discriminate against employee representatives or union members of any kind.

Health & Safety

Suppliers shall ensure a safe and healthy work environment for employees, complying with the legal requirements of the respective country. Appropriate health and safety training and information should be provided to all employees. Suppliers provide employees with access to on-site reading materials and guidelines on preventative measures to avoid workplace hazards and emergency response plans in the case of an accident/emergency. Suppliers shall provide all necessary safety equipment and monitor its use.

Responsible Operations

Business Integrity

Landsvirkjun requires Suppliers to follow healthy workplace standards, operate in accordance with ethical business practices and comply with the legal requirements of the respective country.

Suppliers shall align their operations with internationally recognised principles of ethical business practices, such as the UN Global Compact, and comply with anti-corruption laws and regulations. Suppliers shall consistently work against corruption, including bribery, extortion, and fraud. Suppliers shall not offer, request, demand, promise, provide or accept any financial incentives or rewards directly or indirectly for themselves or others intended to influence business decisions in violation of professional duties improperly. Bribery can be cash, gifts, loans, costs, hospitality, services, discounts, or any other gain.

Conflict of Interest

Suppliers must avoid any conflict of interest in business transactions with Landsvirkjun. The term "conflict of interest" refers to the compromise of a supplier's credibility by placing personal interests or the interests of external parties (relatives or friends) above those of Landsvirkjun. Landsvirkjun shall be informed of any situation that could create a conflict of interest.

Environment & Climate Change

Suppliers shall be aware of the environmental impact of their operations and should endeavour to reduce this impact responsibly and purposefully. Landsvirkjun expects Suppliers to take decisive action to reduce their greenhouse gas emissions in their operations and value chain.

Reporting violations

Any Supplier, supplier employee or other party made aware of a violation of this Code by any Supplier or Landsvirkjun itself should report the violation using Landsvirkjun's reporting procedures. All reports are assessed individually, and further action is taken where necessary.



Violation response

Landsvirkjun expects Suppliers to respond appropriately to any report of a violation of this Code or similar regulations in their operations. Serious or continuous violations of this Code and the failure to take necessary action may result in the termination of business or contract with the Supplier.

20th of February 2023

Landsvirkjun's Board of Directors