



# MVV Business Code of Conduct

## 1. Our values

1.1 This MVV Business Code of Conduct describes the approach adopted by and the expectations which the companies in the MVV Group (hereinafter also summarised as "MVV") have in their customers and suppliers ("business partners") in respect of human and workers' rights, environmental and climate protection, sustainability, compliance management, corruption prevention, antitrust law and money laundering prevention and sets out the resultant legal obligations.

It is a core component of the process to ensure compliance with the minimum safeguards stipulated in Article 18 of Regulation (EU) 2020/852 of the European Parliament and Council (Taxonomy Regulation).

1.2 The foundation for this MVV Business Code of Conduct is provided by our [Human Rights Policy](#), our Policy Statement on Respecting the Environment and Human Rights which is published at <https://www.mvv.de/en/about-us/overview/corporate-governance/policy-statement-lksg>, and MVV's sustainability strategy, which is published at <https://www.mvv.de/en/about-us/sustainability>.

1.3 MVV reserves the right, particularly in the event of any further intensification in the legal framework, to terminate its business relationships with business partners who do not share our values.

## 2. Contractual obligations

2.1 The requirements of this MVV Business Code of Conduct set out below are applicable to all deliveries and services of all kinds agreed by way of order placement, offer acceptance, contract or any other way (collectively referred to as "contract") between MVV and its business partners unless divergent contractual arrangements are specifically agreed.

2.2 Recognition of an equivalent set of requirements at a business partner may be specifically agreed as the basis for the contract if and provided that the business partner undertakes to comply with such requirements also towards MVV. Divergent contractual arrangements should not fall short of the minimum standards set out in this MVV Business Code of Conduct.

2.3 Prior to the order process, suppliers shall register in MVV's Supplier Portal or in the portals of service providers commissioned by MVV. This self-registration covers the approach taken by suppliers to human and workers' rights, environmental and climate protection, sustainability including certifications (such as ISO 19600, 14001, 50001, 450001), corruption prevention and antitrust law, money laundering prevention and compliance management and related information. The disclosures are evaluated and accounted for when selecting suppliers.

## 3. Expectations in our business partners

3.1 MVV expects its business partners and their affiliated companies to be committed to fundamental internationally recognised principles in the fields of human rights, labour standards, environmental and climate protection and combating corruption that are derived from:

3.1.1 the UN Global Compact

### - Human rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
- Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

### - Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4: Businesses should be committed to the elimination of all forms of forced and compulsory labour.
- Principle 5: Businesses should be committed to the effective abolition of child labour.
- Principle 6: Businesses should be committed to the elimination of discrimination in respect of employment and occupation.

### - Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges.
- Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
- Principle 9: Businesses should encourage the development and diffusion of environmentally-friendly technologies.

### - Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

3.1.2 the International Charter of Human Rights,

3.1.3 the four fundamental principles of the International Labour Organization (ILO)

- Freedom of association and the effective recognition of the right to collective bargaining
- The elimination of all forms of forced or compulsory labour
- The effective abolition of child labour
- The elimination of discrimination in respect of employment and occupation

including the basic principles and rights resulting from the eight core conventions (core labour standards),

3.1.4 the Guiding Principles of the United Nations on Business and Human Rights,

3.1.5 the OECD Guidelines for Multinational Enterprises,

3.1.6 the targets defined in Article 2, Paragraph 1 of the Paris Agreement (2015 (COP 21)), which involve

- Holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognising that this would significantly reduce the risks and impacts of climate change;

- Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production;

- Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

3.1.7 Regulation (EU) 2021/1119 of the European Parliament and of the Council establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law').

3.2 The business partners shall make efforts to ensure that their subcontractors are also committed to the standards, principles, guidelines and targets stated in Point 3.1.

## 4. Compliance with requirements to protect human and workers' rights

4.1 MVV expects from its business partners, their affiliated companies and their respective subcontractors that, in the countries in which they respectively operate, they should

4.1.1 Comply with applicable national requirements governing the protection of human and workers' rights,

4.1.2 Irrespective of applicable national requirements uphold the protected legal positions of all people set out in Point 3.1,

4.1.3 Irrespective of applicable national requirements ensure the physical integrity and health and safety of their workers while at work, promote equality of opportunity and protect against discrimination, particularly due to gender, religion, age, family circumstances, sexuality, origin or affiliation with worker representation or associations promoting the protected legal positions set out in Point 3.1,

4.1.4 Irrespective of applicable national requirements abide by the prohibitions listed in § 2 (2) and (3) of the German Supply Chain Due Diligence Act (LkSG),

4.1.5 Comply with the obligations incumbent on them under applicable national requirements to pay any minimum wage,

4.1.6 Comply in any business activities in Germany with the obligations incumbent on them under the German Employee Secondment Act (AEntG) and comply with the collectively agreed payment provisions applicable to the operations of the business partner.

4.2 Insofar that the delivery or service to be provided by a business partner for MVV is within the scope of a German state payment compliance and minimum wage act or any other legislation that provides for payment of minimum compensation for services assigned to the business partner, the business partner shall undertake to grant the minimum compensation thereby provided for to the employees deployed to provide the service and to grant MVV the rights of information and inspection provided for in the legislation. Furthermore, the business partner shall be obliged to require its subcontractors to comply with the aforementioned requirements in respect of their own employees.

4.3 Services provided in the State of Baden-Württemberg shall be governed by the respectively valid version of the "Special Contract Terms to Satisfy Payment Compliance and Minimum Wage Obligations pursuant to the Payment



Compliance and Minimum Wage Act for Public Contracts in Baden-Württemberg (State Payment Compliance and Minimum Wage Act – LTMG) issued by the “State Payment Compliance and Minimum Wage Act Service Point” established at Regierungspräsidium Stuttgart and available on its website.

## 5. Remedial action and sanctions for infringements of the requirements governing protection of human and workers' rights

5.1 Should the business partner or any affiliated company infringe any of the requirements set out in Points 4.1 to 4.3, or if there is reason to suspect such infringement, subject to any further rights it may have MVV shall be entitled to

5.1.1 Request comprehensive information,

5.1.2 Set an appropriate grace period for the infringement to be remedied and/or for the respective obligations to be fulfilled,

5.1.3 Terminate the contract without notice should this grace period expire without result and request compensation for damages rather than the respective service. Such claim to compensation for damages shall also include the reimbursement of any fines or penalties imposed on MVV as a result of the infringement.

5.2 Point 5.1 shall apply by analogy if a subcontractor infringes any of the requirements set out in Points 4.1 to 4.3 and the business partner or an affiliated company was aware of such circumstance or could have detected such.

5.3 The business partner shall indemnify MVV for all claims filed against MVV by employees of the business partner due to any infringement of the obligations to pay a minimum wage. For business partners domiciled in Germany, this means that, within its relationship with MVV, the business partner shall in particular assume sole and full liability for those obligations incumbent on the business partner and MVV pursuant to § 13 of the German Minimum Wage Act (MiLoG) and § 14 of the German Employee Secondment Act (AEntG).

5.4 Should the business partner commission subcontractors, it shall indemnify MVV for all claims filed against MVV due to any infringement by such subcontractors of the requirements of any payment compliance and minimum wage legislation; in Germany, such legislation includes the German Minimum Wage Act (MiLoG) and/or the German Employee Secondment Act (AEntG). Where applicable, this means that, within its relationship with MVV, the business partner shall in particular assume sole and full liability for those obligations incumbent on the business partner and MVV pursuant to § 13 of the German Minimum Wage Act (MiLoG) and § 14 of the German Employee Secondment Act (AEntG). The same shall apply if providers of employees are commissioned pursuant to the German Temporary Employment Act (AÜG) in respect of any claims on the part of social security funds pursuant to § 28 e (3) a) to g) of the German Social Security Code Book IV (SGB IV).

## 6. Expectations in a compliance management system (CMS)

6.1 MVV expects that its business partners shall have an for their business operations appropriate and effective CMS that, as a core component, shall include effective precautions against corruption, not only in the form of cash payments, but also in the form of non-cash benefits and invitations, against any practices which restrict competition or are anticompetitive, and against coercion, extortion and money laundering.

6.2 MVV assumes that such precautions will not be limited to mere written requirements but actually applied in practice and that their application will be regularly reviewed and documented. One mandatory component of the CMS must also be a complaints process enabling any infringements of the law or of European regulations to be reported by anyone at any time, also anonymously (whistleblower hotline).

6.3 If requested, the business partner shall provide MVV with an appropriate degree of information about its CMS.

6.4 Should the business partner infringe the requirements of Points 6.1 to 6.3, subject to any further rights it may have MVV shall be entitled to terminate the contract without notice and to request compensation for damages rather than the respective service.

## 7. Antitrust law and corruption prevention

7.1 If the contract was preceded by the submission of offers to or by MVV for which the business partner reached an agreement constituting an illegal restriction on competition or a coordinated anticompetitive practice, whether with competitors, employees of the business partner or third parties, or if persons were coerced or bribed to take or omit any actions in connection with a contract, the business partner shall pay fixed compensation amounting to 15 % of the agreed net contract volume to MVV unless any other level of damages can be proven. The obligation set out in Sentence 1 shall also apply in the event of the contract having been or being terminated or already fulfilled. If no net contract volume has been agreed or the contract has not yet expired, such figure shall be replaced by the compensation due upon fulfilment or call-up of all agreed deliveries or services or, should such maximum amount not exist, a net contract volume determined by MVV at its due discretion.

7.2 If improper advantages have demonstrably been granted to employees of or persons or companies commissioned by the business partner in connection with the planning, award and/or handling of a contract (particularly improper advantages pursuant to § 299, § 333, § 334 of the German Penal Code – StGB), the business partner shall pay a contractual penalty to MVV amounting to 5 % of the net contract volume, unless any other level of damages can be proven. Point 7.1 Sentences 2 and 3 shall apply accordingly.

7.3 Furthermore, Points 7.1 and 7.2 shall apply by analogy if a subcontractor of the business partner has reached or reaches any agreement as defined in Point 7.1 or grants any improper advantages as defined in Point 7.2 and the business partner or its affiliated company was aware of such circumstance or could have detected such.

7.4 In the cases listed in Points 7.1 to 7.3, MVV shall be entitled to withdraw from the contract; in the event of continuous obligation it shall be entitled to terminate the contract for compelling reason. MVV's other statutory and contractual rights and claims shall remain unaffected.

7.5 Upon the contract taking effect, the business partner shall be obliged to perform a review without delay to ascertain whether there are any employment or work relationships (irrespective of their legal basis and in particular employees, freelance employees (service providers, advisors etc. or “mini-jobs”)) of employees of the business partner, their family relatives or persons living in the same household as such employees exist with MVV. The business partner shall, without being requested to do so, provide MVV with immediate and written notification of any employment relationships of this nature in a way that conforms with statutory data protection requirements.

## 8. Money laundering prevention

8.1 MVV expects that its business partners, their affiliated companies and their respective subcontractors shall comply with the requirements of the German Money Laundering Act (GWG).

8.2 Should the business partner or any affiliated company infringe the German Money Laundering Act, or if there is reason to suspect such infringement, subject to any further rights it may have MVV shall be entitled to terminate the contract without notice and to request compensation for damages rather than the respective service.

8.3 Point 8.2 shall apply by analogy for any infringements by a subcontractor of the business partner of the German Money Laundering Act if the business partner or its affiliated company was aware of such circumstance or could have detected such.

## 9. International corruption and money laundering prevention

9.1 MVV expects from its business partners, their affiliated companies and their respective subcontractors that, in the countries in which they respectively operate, they should comply with the respectively applicable national anticorruption, competition and money laundering laws.

9.2 Should the business partner or its affiliated company infringe the respectively applicable national anticorruption, competition or money laundering laws, or if there is reason to suspect such infringement, subject to any further rights it may have MVV shall be entitled to terminate the contract without notice and to request compensation for damages rather than the respective service.

9.3 Point 9.2 shall apply by analogy for any infringements by a subcontractor of the business partner of the respectively applicable national anticorruption, competition or money laundering laws if the business partner or its affiliated company was aware of such circumstance or could have detected such.

## 10. Assurance and notification obligations in respect of court proceedings, legal action or sanctions

10.1 The business partner shall provide an assurance that, in the three (3) years preceding the conclusion of the contract, no government or civil law proceedings have been filed against it, any affiliated company, any subcontractor, or any director or employee of the same in connection with any infringement or infringements of antitrust requirements, anticorruption or money laundering laws or compliance regulations and that no sanctions (e.g. penalties, fines, contract award exclusions, damages payments) have been imposed as a result of such proceedings or lawsuits that have not been disclosed to MVV prior to conclusion of the contract.

10.2 The business partner shall notify MVV immediately upon becoming aware that government proceedings or a civil law lawsuit have been filed against the business partner, any affiliated company, any subcontractor, or any director or employee of the same in connection with any infringement or infringements of antitrust requirements, anticorruption or money laundering laws or compliance regulations or that any sanctions (e.g. penalties, fines, contract award exclusions, damages payments) have been imposed as a result of such proceedings or lawsuits.

10.3 MVV shall be entitled at any time to request an appropriate degree of information about the status of any proceedings or lawsuits referred to in Points 10.1 and 10.2.



10.4 Should the assurance provided pursuant to Point 10.1 be incorrect and if the business partner knew or could have known this and in the event of any infringement by the business partner of the disclosure requirements pursuant to Points 10.2 or 10.3, subject to any further rights it may have MVV shall be entitled to terminate the contract without notice and to request compensation for damages rather than the respective service.

10.5 Point 10.4 shall apply by analogy if, having been notified of any proceedings, lawsuits or sanctions pursuant to Points 10.1 or 10.2 and having considered all circumstances relevant to the individual case and weighed up the interests of both parties to the contract, MVV cannot reasonably be expected to uphold the contractual relationship. In the case of Point 10.1, however, this shall only apply if MVV was not aware of the circumstance justifying the termination upon the conclusion of the contract.

#### **11. Sanctions lists and sanctions requirements**

11.1 MVV definitively expects from its business partners that neither they nor any affiliated company nor any of their subcontractors or their respective directors or employees should be included in or added to any sanctions list of the European Union or the World Bank (World Bank Listing of Ineligible Firms and Individuals).

11.2 Should the business partner, any affiliated company, subcontractor, director or employee of such be included in or added to any such list, the business partner shall be obliged to notify MVV of such circumstance immediately upon gaining awareness. Subject to any further rights it may have, MVV shall in this case be entitled to terminate the contract without notice and to request compensation for damages rather than the respective service unless the business partner can prove or reasonably demonstrate within 15 days that the company or individual involved has been wrongly included in or added to the list and that measures to have such company or individual removed from the list have been initiated or, in the case of a subcontractor, that the contractual relationships with the respective subcontractor has been terminated or, in the case of a natural person, that the directorship or employment relationship has been terminated.

11.3 MVV definitively expects from its business partners that neither they nor any affiliated company nor any of their respective subcontractors should provide or procure any deliveries or services that infringe sanctions regulations in force in the European Union.

11.4 Should the business partner or any affiliated company infringe the requirements of Point 11.3, subject to any further rights it may have MVV shall be entitled to terminate the contract without notice and to request compensation for damages rather than the respective service.

11.5 Point 11.4 shall apply by analogy for any infringements by any subcontractor of the business partner of sanctions regulations in force in the European Union if the business partner or its affiliated company was aware of such circumstance or could have detected such.

#### **12. Environmental and climate protection and sustainability**

12.1 MVV expects from its business partners that they should minimise as far as possible any negative impacts on the environment and climate, comply without exception with the relevant requirements of environmental law and respond within a reasonable timeframe to enquiries concerning the environmental or climate-related properties of their products.

12.2 Furthermore, MVV expects from its business partners that they should continually improve the environmental and climate compatibility of their business activities, sustainably reduce their use of natural resources (energy, water and commodities) taking due account of economic considerations, ensure that waste is, wherever possible, avoided, disposed of in ways that cause no harm or removed in such a way that does not harm the common good, commit to the relevant climate protection targets and, on this basis, develop their own ambitious environmental targets and key figures and, if requested to do so, disclose these figures to MVV, as well as generally recognised key figures such as total energy consumption in MWh and/or CO<sub>2</sub> emissions in tonnes. MVV expects from its business partners that they should address the targets set out in the Paris Agreement (Point 3.1.6) as well as the climate targets of the European Union (Point 3.1.7) with targets and measures, ideally science based, at their own companies.

12.3 The business partner shall make efforts to ensure that its affiliated companies and its/their subcontractors also commit and adhere to the requirements of Points 12.1 and 12.2.

12.4 The business partner shall cooperate with MVV to an appropriate extent to identify reduction and offsetting potential in respect of the environmental and climate impact in its delivery and service relationship and at its companies and to achieve identifiable reductions or offsetting measures.

#### **13. Remedial action and sanctions for infringements of the requirements governing environmental and climate protection and sustainability**

13.1 Should the business partner infringe respectively applicable national environmental protection laws or the requirements set out in Point 12.3, or if there is reason to suspect such infringement, subject to any further rights it may have MVV shall be entitled to

13.1.1 Request comprehensive information,

13.1.2 Set an appropriate grace period for the business partner to remedy the infringement and/or fulfil the respective obligations,

13.1.3 Terminate the contract without notice should this grace period expire without result and request compensation for damages rather than the respective service.

13.2 Point 13.1 shall apply by analogy if an affiliated company or subcontractor should infringe environmental laws and if the business partner was aware of such circumstance or could have detected such.

#### **14. MVV's inspection rights**

14.1 The business partner shall enable MVV to visit the business premises of the business partner during normal working hours, without interrupting business operations and in accordance with all customary safety and confidentiality requirements, in order to convince itself of the appropriateness of the measures taken to comply with MVV's expectations as formulated in this MVV Business Code of Conduct and with the obligations on the part of the business partner in respect of human and workers' rights, environmental and climate protection and sustainability. The business partner shall enable MVV to talk with employees of the business partner or employee representatives in the absence of representatives of the business partner.

14.2 The business partner shall be obliged to agree with its affiliated companies and subcontractors that they should grant the inspection rights stated in Point 14.1 to MVV and the business partner.

14.3 MVV's inspection rights may also be exercised by third parties commissioned by MVV who are obliged either by professional standards or contractual requirements to maintain confidentiality (e.g. auditors, lawyers, management consultants, consulting companies).

#### **15. Reporting of infringements and/or suspected infringements**

15.1 Any infringements or suspected infringements of this MVV Business Code of Conduct may be reported by anyone at any time, also anonymously, to MVV.

15.2 Information about MVV's whistleblower hotline and the relevant procedural requirements are published at [Whistleblower-Hotline - MVV Energie AG](#).

15.2 Any notifications received will be treated with strict confidentiality.

#### **16. Instruction and training**

16.1 If requested to do so by MVV, the business partner shall ensure that those employees entrusted with acquiring and fulfilling the contract, in particular those involved in acquisitions (sales), and providing and/or invoicing the agreed deliveries and services, shall participate to an appropriate extent in instruction or training on MVV's expectations as formulated in this MVV Business Code of Conduct and on the obligations on the part of the business partner in respect of human and workers' rights, environmental and climate protection, sustainability, compliance management, antitrust law, corruption prevention and money laundering prevention.

16.2 Such instruction or training may also be web-based.

16.3 If requested, MVV can provide due certification of participation.

#### **17. Review of this MVV Business Code of Conduct**

17.1 MVV shall regularly review this MVV Business Code of Conduct to ensure that it is up-to-date and complete.

17.2 In the event of such amendments or updates, MVV may request that the amended or newly formulated MVV Business Code of Conduct be agreed between it and its business partner provided that such agreement does not place any unreasonable burden on the business partner.

Status: May 2023