

Modern Slavery Statement

Financial Year 2021

— Introduction

This Modern Slavery Statement has been published in accordance with the UK Modern Slavery Act 2015 (MSA) as in the previous years.

This statement explains the steps that Efacec has taken to prevent modern slavery in its business and supply chains during the financial year 2021. Efacec, together with its subsidiaries, has a zero tolerance approach to all forms of human rights abuse, including modern slavery. At Efacec we are fully committed to our role in building a sustainable future.

Among the economic, environmental, and social aspects of our Sustainability Policy we value Human Rights as an essential building block. Acting on complex global supply chains is a challenge, but we are determined to create effective solutions.

The year 2021 was a challenging period similar to 2020 and reduced Efacec's ability to advance in all the processes we planned to implement. Nonetheless, Efacec continues to review its policies and appropriate due diligence to ensure compliance with the UK Modern Slavery Act 2015.

— Our Business

Efacec continues to deliver integrated solutions in the fields of energy, mobility, and environment with more than 2,000 employees.

The year 2021 was impacted by the continuous consequences of the pandemic such as restrictions on movement and supply chain breakdowns that affected the company's activity. The year was also impacted by financial limitations and the privatization process that will be concluded in 2022.

— Our Policies

In 2021, there were many advancements made namely a new Sustainability Policy, Code of Conduct, and assuming the public compromise of the UN Global Compact.

In 2021, the Sustainability Policy was updated and communicated, internally and externally, to promote the ESG (Economic, Social and Governance) principles throughout Efacec's value chain. This Policy is a fundamental guide for alignment of all stakeholders, contributes to the United Nations Sustainable Development Goals and reinforces the contribution of each and every one of our people, to the company's Sustainable Development model, incorporating these principles in all decisions and activities.

Efacec also has a comprehensive set of other policies that define the ethical rules to be used in all its businesses, namely the Code of Conduct that was also updated and communicated in 2021. The Code of Conduct represents, above all, Efacec's commitment to transparent and responsible business, guiding all employees in making the right decisions, making Efacec a better workplace for all and fulfilling its purpose: creating a smarter future for a better life.

In 2021 Efacec subscribed to the 10 principles of the UN Global Compact and has assumed a public compromise to reflect these principles in its strategy, culture, and daily operations. Efacec will continue to communicate these principles with all stakeholders and participate in collaborative projects that advance sustainability goals in particular those of the UN Global Compact and the Sustainable Development Goals.

— Risk Assessment

In 2021 Efacec identified the risk of modern slavery in the supply chain. This risk was managed internally and the supplier demonstrated that the claim did not have a basis. Efacec will continue to monitor the risk.

Efacec's operations continue to be based mainly in Portugal, which is a member of the European Community and follows the Human Right legislation and the most important ILO recommendations. Many Efacec employees continue to be working across the globe, which adds uncertainty and therefore added responsibility to ensure their safety and well being. Efacec continued to provide regular communication with guidance and key information for employees concerning the pandemic. Efacec has a transparent recruitment process and in the subsidiaries is made by local accredited entities and supported by the Human Resources Department in Portugal.

In what concerns direct suppliers and subcontractors, we require them to remain in compliance with all applicable laws, including Efacec ethical and sustainability policies and applicable local legislation through our sustainable procurement program, which is in continuous improvement.

During 2021 Efacec reinforced the promotion of the Sustainability Policy with its suppliers during the procurement process. We already designed a new procedure of Qualification and Evaluation of suppliers to reinforce the adoption of the ESG requirements among our supply chain. However, given the abnormal circumstances of 2021, the conclusion of the implementation process is still in progress.

Efacec is also working on developing a code of conduct for suppliers and seeks to publish the document in 2022. This supplier code of conduct will promote ESG principles among our supply chain and therefore reinforce the importance of eliminating modern slavery.

— Due Diligence Measures in Place

As in the previous years, Efacec continues to incorporate the measures to reduce the risk of Modern Slavery in its business, as follows:

- Social requirements are integrated in existing ethical declarations such as in the new Sustainability Policy and the new Corporate Code of Conduct.
- Our recruitment processes are designed to prohibit the occurrence of Modern Slavery.
- Labour legislation is part of the required commitments from all Efacec suppliers.

— Performance Indicators

Efacec continues to monitor human rights through specific indicators covering issues such as discrimination, child labor, forced labor, freedom of association, safety, and diversity. These indicators are reported in the Annual Report appendix related to Social Indicators.

Due to the continued complex circumstances in 2021, many Efacec projects and contracts were impacted making it difficult to comply with obligations such as initial payment time frames with Suppliers, which Efacec recognized that can constitute an added social risk.

— Training

Efacec has a digital learning platform with many training opportunities. Efacec seeks to offer more content regarding human rights for all employees and train new employees on topics regarding Efacec's code of conduct and sustainability principles.

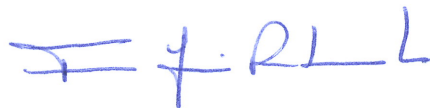
— Plans

For 2022 Efacec plans to:

- Fully implement the integration of social indicators in the qualification and evaluation of suppliers;
- Develop a code of conduct for suppliers;
- Improve human rights in project management risk assessment and safety processes;
- Fully implement the Efacec Risk Framework in what regards human rights and the mitigation measures to address the risk of modern slavery;
- Offer more training programs regarding human rights to all employees.



Ângelo Ramalho
Chairman of the Board of Directors
and CEO, Efacec Power Solutions
30 June 2022



Fernando Vaz
Chief Operations Officer
30 June 2022