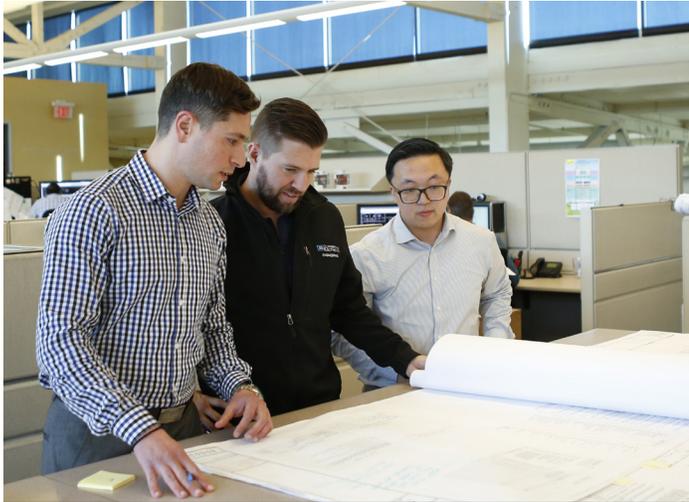


Supplier Code of Conduct

Cupertino Electric is committed to the highest standards of social, environmental and ethical conduct. Suppliers shall be ethical in all aspects of their business, including relationships, practices, sourcing and operations.



Introduction

Our suppliers are required to provide safe working conditions, treat workers with dignity and respect, act fairly and ethically, and use environmentally-responsible practices where products or services for CEI are concerned. We at CEI require our suppliers to operate according to the principles outlined in this Cupertino Electric, Inc. ("CEI") Supplier Code of Conduct ("Code") and by complying with all applicable laws and regulations.

"What we deliver for customers is important, but our reliance on doing business with integrity has made all the difference in our ability to grow and succeed for more than 60 years."

John Boncher, President & Chief Executive Officer
Cupertino Electric, Inc.

Our Expectations of Suppliers

This Code goes beyond merely complying with the law and draws upon industry standards to promote social and environmental responsibility. When differences arise between standards and legal requirements under this Code, we expect suppliers to adhere to the stricter standard that also complies with the law. This Code outlines CEI's expectations for Supplier conduct regarding labor and human rights, health and safety, environmental protection, ethics and management practices.

We at CEI will assess our suppliers' compliance with this Code. Any violations of this Code may jeopardize a supplier's business relationship with CEI, up to and including termination of the relationship. This Code applies to CEI suppliers and their subsidiaries, affiliates and subcontractors (each a "Supplier") providing goods or services to CEI.

Labor and Human Rights

Cupertino Electric, Inc. (CEI) believes all workers in our supply chain deserve a fair and ethical workplace. Workers must be treated with the utmost dignity and respect. As a result, we require CEI suppliers to uphold the highest standards of human rights.

Anti-Discrimination

Any CEI supplier shall not discriminate against any worker based on age, disability, ethnicity, gender, marital status, national origin, political affiliation, race, religion, sexual orientation, gender identity or any other status protected by applicable national or local law, in hiring and other employment practices. Supplier shall not require pregnancy or medical tests, except where required by applicable laws or regulations or prudent for workplace safety, and shall not improperly discriminate based on such test results.

Anti-Harassment and Abuse

Supplier shall commit to a workplace free of harassment and abuse. Supplier shall not threaten workers with, or subject them to, harsh or inhumane treatment, including but not limited to verbal abuse and harassment, psychological harassment, mental and physical coercion, or sexual harassment.

Working Hours

A workweek for Supplier's workers shall be reasonable. Supplier shall follow all applicable laws and regulations with respect to working hours and days of rest, and all work, including overtime, must be voluntary.

Wages and Benefits

Supplier shall pay at least the minimum wage and provide any benefits required by law and/or contract. Supplier shall compensate workers for overtime hours at the legal premium rate. Supplier shall communicate pay structure and pay periods to all workers. Supplier shall meet all legal requirements relating to wages and benefits, and pay accurate wages in a timely manner. Wage deductions shall not be used as a disciplinary measure. All use of temporary and outsourced labor shall comply with local law limits.

Freedom of Association and Collective Bargaining

Supplier shall freely allow workers' lawful rights to associate with others, form, and join (or refrain from joining) organizations of their choice, and bargain collectively, without interference, discrimination, retaliation or harassment.

Health and Safety

Safe Work Environment

Worker health, safety, and well-being is important to CEI. Supplier shall provide and maintain a safe work environment and integrate sound health and safety management practices into its business. Workers shall have the right to refuse unsafe work and to report unhealthy working conditions.

Health and Safety Permits

Supplier shall obtain, keep current and comply with all required health and safety permits.

Occupational Health & Safety Management

Supplier shall identify, evaluate and manage occupational health and safety hazards through a prioritized process of hazard elimination, substitution, engineering controls, administrative controls, and/or personal protective equipment (PPE).

Health and Safety Communication

Supplier shall provide workers with appropriate workplace health and safety training in their primary language. Health and safety-related information shall be clearly posted in Supplier's facility.

Grievance Systems

Supplier shall ensure that workers have a mechanism to report grievances and that promotes open communication between management and workers.

Emergency Preparedness and Response

Supplier shall identify and assess potential emergency situations. For each situation, Supplier shall develop and implement emergency plans and response procedures to minimize harm to life, environment and property.

Incident Management

Supplier shall have a system for workers to report health and safety incidents and near-misses, as well as a system to investigate, track and manage these reports. Supplier shall implement corrective action plans to mitigate risks, provide necessary medical treatment and facilitate workers' return to work.



Working and Living Conditions

Supplier shall provide workers with reasonably accessible and clean toilet facilities and potable water. Supplier-provided dining, food preparation and storage facilities shall be sanitary. Worker dormitories provided by Supplier or a third-party shall be clean, safe and provide reasonable living space.

Environment

CEI is committed to protecting the environment, and environmental responsibility is critical to our operations. Supplier shall develop, implement and maintain environmentally-responsible business practices.

Environmental Permits and Reporting

Supplier shall obtain, keep current and comply with all required environmental permits. Supplier shall comply with the reporting requirements of applicable permits and regulations.

Regulated Substances

Supplier shall comply with CEI policies surrounding regulated substances for all goods it manufactures for, and provides to, CEI.

Waste Management: Hazardous and Non-Hazardous Items

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle both hazardous and non-hazardous waste.

Wastewater Management

Supplier shall implement a systematic approach to identify, control and reduce wastewater produced by its operations. Supplier shall routinely monitor the performance of its wastewater treatment systems.

Protections for Students & Youth

Prevention of Underage Labor

Supplier shall employ only workers who are at least 15 years of age, the applicable minimum legal age for employment, or the applicable age for completion of compulsory education, whichever is highest. Supplier may provide legitimate workplace apprenticeship programs for educational benefit that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

Juvenile Worker Protections

Supplier may employ juveniles who are older than the applicable legal minimum age but are younger than 18 years of age, provided that they do not perform work that might jeopardize their health, safety, or morals, consistent with ILO Minimum Age Convention No. 138. Supplier shall not require juvenile workers to work overtime or perform nighttime work.

Student Workers

Supplier shall ensure proper management of student workers by properly maintaining student records, conducting rigorous due diligence of educational partners, and protecting students' rights in accordance with applicable law and regulations. Supplier shall provide appropriate support and training to all student workers.

Stormwater Management

Supplier shall implement a systematic approach to prevent contamination of stormwater runoff. Supplier shall prevent illegal discharges and spills from entering storm drains, the public water supply or public bodies of water.

Air Emissions Management

Supplier shall identify, manage, reduce and responsibly control air emissions from its operations that pose a hazard to the environment. Supplier shall routinely monitor the performance of its air emission control systems.

Boundary Noise Management

Supplier shall identify, control, monitor and reduce noise generated by its facility that affects boundary noise levels.

Culture of Ethics

Business Integrity

Supplier shall not engage in corruption, extortion, embezzlement or bribery to obtain an unfair or improper advantage. Supplier shall abide by all applicable anti-corruption laws and regulations of the countries in which it operates, including the Foreign Corrupt Practices Act (FCPA) and applicable international anti-corruption conventions.

Disclosure of Information

Supplier shall accurately record information regarding its business activities, labor, health and safety, and environmental practices and shall disclose such information, without falsification or misrepresentation, to all appropriate parties as required by law.

Protection of Intellectual Property

Supplier shall respect intellectual property rights and safeguard customer information. Supplier shall manage technology and information in a manner that protects intellectual property rights.

Whistleblower Protection and Anonymous Complaints

Supplier shall provide an anonymous complaint mechanism for managers and workers to report workplace grievances. Supplier shall protect whistleblower confidentiality and prohibit retaliation.

Pollution Prevention and Resource Reduction

Supplier shall reduce energy, water, natural resource consumption and greenhouse gas emissions by implementing conservation and substitution measures.

Responsible Sourcing of Materials

Suppliers shall exercise due diligence on relevant materials in their supply chains. Suppliers shall develop particular due diligence policies and management systems to identify applicable risks and take appropriate steps to mitigate them. Due diligence shall be conducted to determine whether relevant materials originate from regions with high risks. These regions with high risks include areas associated with conflict, forms of child labor, forced labor and human trafficking, gross human rights violations such as widespread sexual violence, or severe health and safety risks and negative environmental impacts.

Community Engagement

Supplier is encouraged to help foster social and economic development and contribute to the sustainability of the communities in which it operates.

C-TPAT

To the extent that Supplier transports goods for CEI into the United States, Supplier shall comply with the C-TPAT (Customs-Trade Partnership Against Terrorism) security procedures on the U.S. Customs website at www.cbp.gov or any other website established by the U.S. government for such purpose.

Management Systems

CEI believes that sound management systems and commitment are key to enriching the social and environmental well-being of our supply chain. CEI holds its suppliers accountable to this Code and all of its standards. Supplier shall implement or maintain, as applicable, management systems that facilitate compliance with this Code and the law, identify and mitigate related operational risks, and facilitate continuous improvement.

Company Statement

Supplier shall develop a company statement affirming its commitment to high standards of social and environmental responsibility, ethical conduct and continuous improvement. Supplier shall post this statement in the primary local language at all of its facilities.

Management Accountability and Responsibility

Supplier shall identify company representatives responsible for ensuring implementation and periodic review of its management systems. Supplier shall have a Corporate Social Responsibility (CSR) or Sustainability representative that reports directly to executive management with the responsibility and authority to manage social and environmental compliance requirements for the business.

Risk Assessment and Management

Supplier shall develop and maintain a process to identify labor and human rights, health and safety, environmental, business ethics and legal compliance risks associated with its operations; determine the relative significance of each risk; and implement appropriate procedures and controls to minimize the identified risks.

Performance Objectives with Implementation Plans and Measures

Supplier shall have written standards, performance objectives, targets, and implementation plans, including periodic assessments of the performance, against those objectives.



Audits and Assessments

Supplier shall perform periodic evaluations of its facilities and operations, and the facilities and operations of its subcontractors and next-tier suppliers that provide goods or services to CEI to ensure compliance with this Code and the law.

Supplier will permit CEI and a third-party designated by CEI to periodically evaluate Supplier's facilities and operations, and those of its subcontractors and next-tier suppliers, to the extent that they are providing goods or services to CEI or for CEI's benefit.

Training and Communication

Supplier shall develop and maintain management and worker training programs to facilitate proper implementation of its policies and procedures and to fulfill Supplier's continuous improvement objectives noted above.

Supplier shall have a process for communicating clear and accurate information about its performance, practices, policies and expectations to its workers, next-tier supplier(s) and customers.

Supplier shall have an ongoing process to obtain feedback on its practices related to this Code and to foster continuous improvement.

Documentation and Records

Suppliers shall maintain appropriate documents and records to ensure regulatory compliance.

Corrective Action Process

Supplier shall have a process for timely correction of any deficiencies or violations identified by an internal or external audit, assessment, inspection, investigation or review.

To Learn More

For more information about Cupertino Electric's Supplier Diversity Program, visit <http://www.cei.com/divisions/utility>

This Code is not intended to create new or additional rights for any third party.