



REGULATION

Ref no.: R/04/2022

Code of Good Practice for Projects in Energy Sector

Dear All

By this Regulation, the Management Board of Mota-Engil Central-Europe introduces the Code of Good Practices for the Energy Sector and encourages the use of its provisions by all company employees, as well as to promote its content among our contractors and business partners.

The Code of Good Practice for Energy Sector – Appendix 1 to this Regulation has been developed by the Energy Committee of the Polish Association of Construction Employers and is effective as of the date of its publication.

*Below you will find an abbreviated version of **Appendix 1** containing the general assumptions of the Code.*

Please be familiarized with the assumptions and the full version of the Code of Good Practice for the Energy Sector:



PURPOSE OF CODE

This Code contains a set of good practices, that are recommended to be followed during the execution of investment projects for the energy sector.

This document is intended to ensure timely and efficient execution of construction projects with appropriate market standards while ensuring the highest quality and safety in its operation.



SCOPE OF APPLICATION

The principles of the Code of Good Practices applicable to the Energy Sector includes, first of all, recommended rules with regard to:

- ✓ Communication between contracting parties or with the external environment;
- ✓ Financial terms and conditions of contract award and its payment arrangements;
- ✓ Social and human resources aspects;
- ✓ Project management standards;
- ✓ Preparation and execution of the investment procedure;
- ✓ Contract execution;
- ✓ Exclusions;
- ✓ Subcontractor scopes;
- ✓ Emergence of extraordinary circumstances appeared;
- ✓ Additional aspects.



OBJECTIVES OF THE CODE



Communication

Efficient implementation of investments is based on proper communication aimed at reaching all participants of the investment process and analysis of social expectations. The role of communication is to educate and make the public aware of what benefits they can obtain and what restrictions and risks are associated with the implementation of new investments. The most important aspects of proper communication are its timeliness (providing information in a timely manner) and its accuracy (correctness of data). Communication is crucial on every stage of the Project, starting from the stage of investment preparation, through its realization, to communication after the end of investment works.

Creating a proper relationship with both external and internal environment during Project execution is a key communication task. In order to build proper relations it may be useful to create an appropriate communication scheme.



Award of contract and terms payment

The Code of Good Practices recommends a lot of subjects that relate to financial issues. At the stage of submitting and awarding orders it pays particular attention to the introduction to the contract as many conditions and potential provisions concerning the investments being implemented as possible. It recommends the definition of appropriate Milestones, the introduction of salary adjustments, the possibility of advance payments or the creation of a payment schedule.



Social and human resources aspects

The Code encourages the involvement in the process of practical training of both students through internships or scholarship contracts and employees in managerial positions. For human resources, on the other hand, it recommends the introduction of appropriate digital systems that help to optimize costs and reduce lead times.



Project management standards

The Company is aware of the many potential risks that accompany any investment and therefore, on the basis of the Code of Good Practices, recommends in particular active risk management as well as ensuring high standards of security, which are in the interest of each party to the contract.





Preparation and conduct of proceedings

In order to correctly conduct the tender procedure as well as the procedure during and after the realization of the investment it is necessary to create and unify rules of conduct in the form of procedures/instructions. The Code recommends appropriate publicity for tenders, fair and impartial selection of the best offer, and appointment of an experienced purchasing team. The promoted method of planning how to select offers and make purchasing decisions is Best Value Procurement. It is also important to limit the participation of unreliable contractors as much as possible.



Contract execution

The principles described in the Code recommend that appropriate time frames should be set for the completion of various stages of the project and that they should be subject to appropriate supervision. The contract should include provisions specifying the procedures to be followed in the event of any defects occurring at or after acceptance of the work and regulations for settling any disputes.



Exclusions

In order to comply with legal and contractual provisions, the Contractor should expect temporary restrictions on access to the site, particularly when the safety of the construction work or work does not allow it to be processed. The Code encourages the Client and the Contractor always making provisions for the reimbursement of reasonable costs associated with the extension of time of the Project.



Subcontractors

The investment agreement should specify the rules for subcontractor participation in the Project implementation process.



Extraordinary circumstances affecting contract performance

The Code of Good Practices recommends including in the text of the contract situations that may arise from extraordinary circumstances.





ADDITIONAL ASPECTS

In addition to the above recommendations, the Code of Good Practices for the Energy Sector recommends appropriate standards for:

-  **Use of technology in the execution of the contract**
-  **Documentation**
-  **Equipment, resources and materials**
-  **Execution of work to be covered**
-  **Geotechnical properties of soil**
-  **Acceptances and guarantees**



REMARKS

The Code includes tables presenting sample risk statements that can form the basis for developing a Risk Matrix for “Build” contracts, “Design and Build” contracts, and “Turnkey” contracts as a clear supplement to the liability description.

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