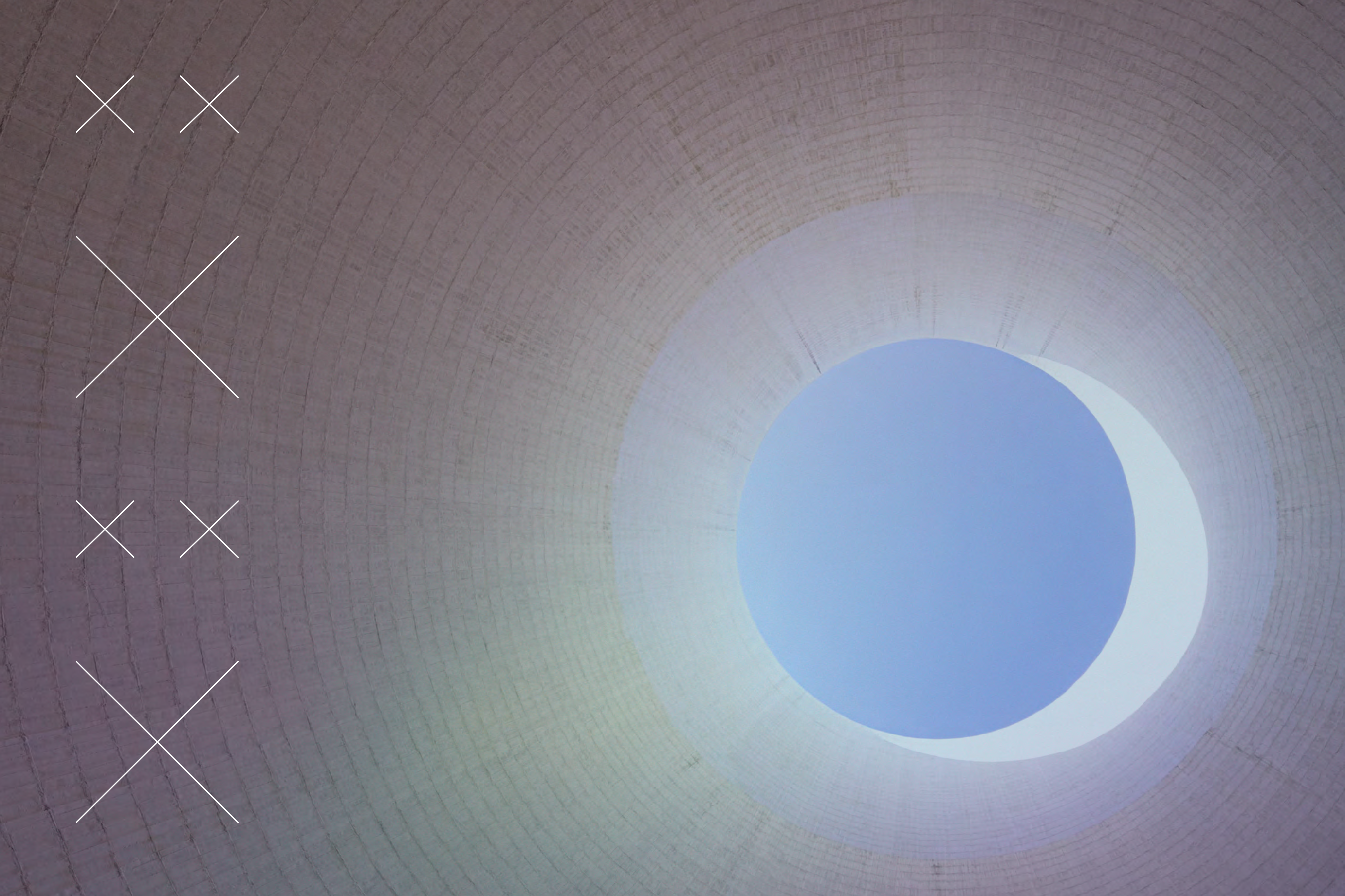
SLOVENSKÉ ELEKTRÁRNE

Ethics handbook



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Introduction

In our day-to-day work, we often face with situations where we need to assess whether a particular decision or action is appropriate.

How does the Ethics Handbook relate to the Code of Ethics?

The Code of Ethics of Slovenské elektrárne, a.s. ("Code of Ethics") sets out the basic principles of ethical and transparent conduct expected of the employees of Slovenské elektrárne, a.s. ("the Company") in the performance of their work, members of the Company bodies, and other physical or legal persons who have a legal relationship with the Company and who are obliged to comply with the Code of Ethics for contractual or other legal reasons (e.g. shareholders, suppliers, business partners, interest groups, non-governmental and non-profit organisations, state bodies or institutions, etc.).

This Ethics Handbook ("**Handbook**") has been prepared as a practical tool to assist employees[1] and members of the Company's bodies in making the right decisions and to provide guidance to ensure that we act in accordance with the key principles set out in our Code of Ethics and our Zero Tolerance of Corruption Plan ("**ZTC Plan**"). Each of us is responsible for ensuring that our decisions and conduct in the performance of our work comply with both the letter and the spirit of the Code of Ethics, the ZTC Plan and the Handbook.

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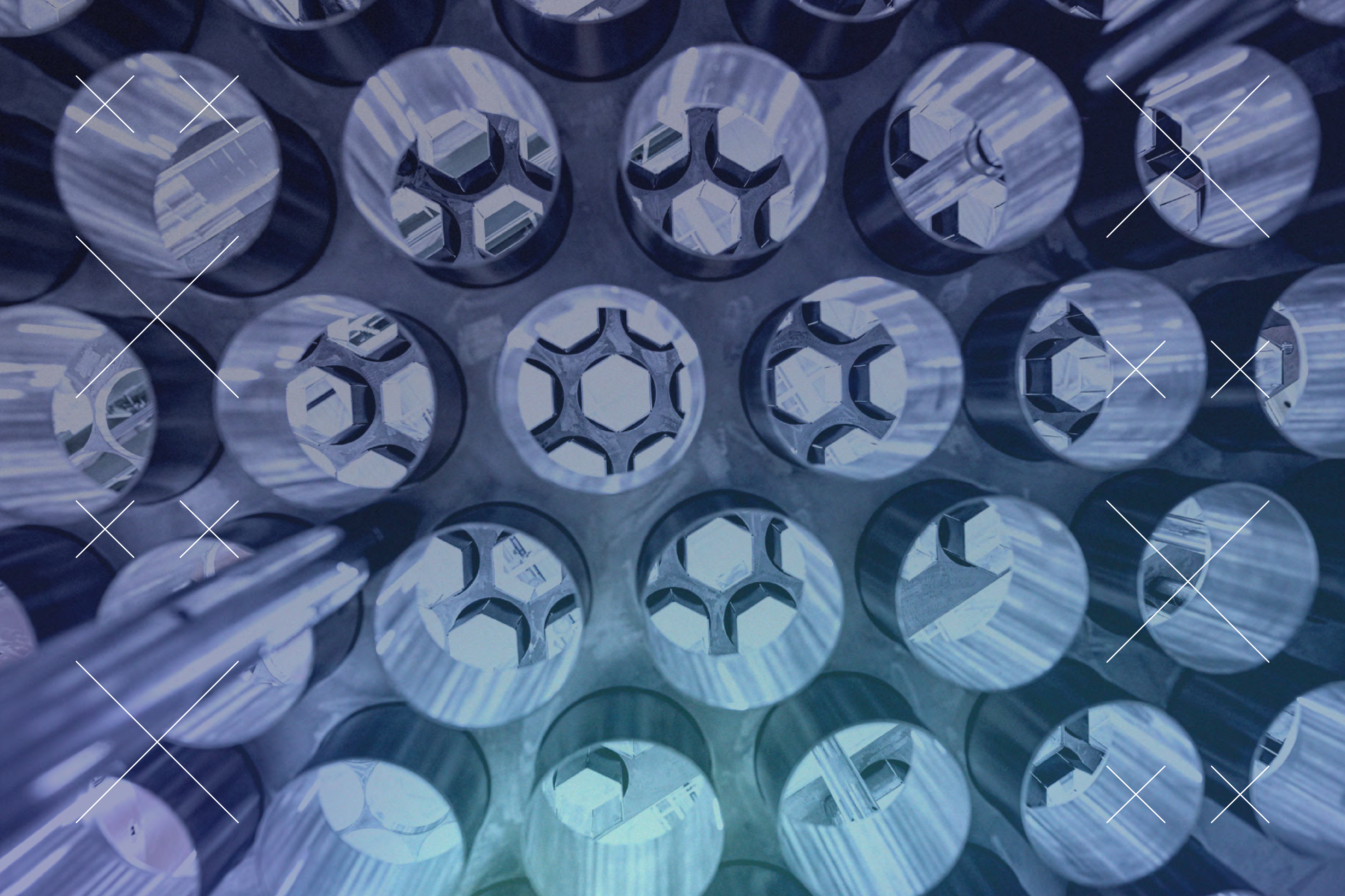
[1] For the purposes of this Handbook, "employee" means any person employed by the Company under an employment contract or other employment relationship.



01 Ethical environment

1.1 General perception of ethical behaviour

“I want to behave ethically...
But what if I am sometimes not sure what is ethical?”

Ask yourself the following questions:

- Is my action or decision in accordance with the law and policies of the Company?
- Will my action or decision promote a good reputation of the Company?
- Will my action or decision be perceived as acceptable if it is scrutinised by others?
- Can I make an impartial decision in the best interests of the Company without regard to my personal interest?

If you can confidently answer YES to each of these questions, it is likely that your action or decision is appropriate.

If you cannot answer yes to all of these questions with confidence, then do not act or make a decision without consulting the responsible department.

As employees and members of the Company‘s governing bodies, you have various options available to you to address your concerns. Choose your method of communication:

- By email to the address eticky.kodex@seas.sk,
- By completing the form on the Company’s website www.seas.sk/eticky-kodex,
- By post to the address: Slovenské elektrárne, a.s., Risk management and internal audit division, Pribinova 40, 811 09 Bratislava, Slovak Republic; mark the envelope with “Confidential – Do Not Open”,
- In person at the Company’s head office (Pribinova 40, Bratislava) – the letter marked “Confidential – Do Not Open” should be addressed to the Risk management and internal audit division.

1.2 Speak out

> If you have any concerns about compliance with the Code of Ethics and the ZTC Plan, speak out.

By doing so, you can help protect the Company, our colleagues and our shareholders.

Raise your concerns promptly

The longer you hesitate to raise any concern, the worse the situation may get.

You can remain anonymous

Anonymous reports must be specific and described in sufficient detail to allow Risk management and internal audit division (Internal audit department) to conduct an effective analysis.

However, if you do identify yourself, Risk management and internal audit division (Internal audit department) may contact you, request additional data and information and, importantly, can provide you with feedback.

Confidentiality will be respected

The identity of anyone submitting a report to the Company is kept strictly confidential. The information you provide to us will be shared on a "need to know" basis, i.e. only with those responsible for addressing the notification.

Retaliation is unacceptable

Retaliation against anyone for raising an ethical concern or assisting in the resolution of an ethical issue is contrary to the Company's ethical principles and will not be tolerated under any circumstances.

1.3 Ethical behaviour – doubts and frequently asked questions

> I behave ethically, but what if...

...I am not sure whether a particular action violates our Code of Ethics?

If you cannot find the answer in the Code of Ethics, the ZTC Plan, the Code of Ethics section on the Intranet, this Handbook or the internal regulation "Conflict of Interest", ask your manager or contact Risk management and internal audit division (Internal audit department).

...my manager tells me to do something that is dangerous or potentially illegal? I know I should report it to someone, but I am afraid my manager will make my job more difficult if I do.

Your manager is usually the best person to talk to about your concerns. However, as your concern relates to your manager's request, you should send an email to eticky.kodex@seas.sk or send a letter by post to the Risk management and internal audit division (Internal audit department) marked "Confidential – Do Not Open", or arrange a personal meeting in the office of the Internal audit manager.

…I reported my concern, but I haven't received any updates?

If the matter has been reported anonymously, there is no mechanism in place for giving any feedback to the anonymous notifier.

As regards non-anonymous reports, these allow additional information to be obtained in order to carry out more efficient analyses. For this reason, the Risk management and internal audit division (Internal audit department) encourages employees to provide contact information.

A report on the results of the analysis will only be provided to the extent necessary to ensure discretion and confidentiality.

If the outcome of the analysis is a general guideline, it will be communicated to employees via the intranet, Company bulletin boards or e-mail.

…I have not raised any concerns, but I have been asked by Risk management and internal audit division (Internal audit department) or someone in management to help clarify a notification. Do I have to participate?

Yes, you do. As an employee of the Company, you have a duty to cooperate in the resolution of such notifications.

…I am planning to promote one of two employees under me; one is a man and the other is a woman who has mentioned to me her plans to start a family. May I promote the male candidate if I believe the woman will be going on maternity leave soon?

You should promote the better of the two candidates in every case, regardless of their gender and any plans to start a family. To do otherwise would be a breach of the law and one of the principles of the Code of Ethics, and would clearly amount to gender discrimination.

...I suspect fraud in the workplace?

For the purposes of this Handbook, fraud is defined as conduct by an employee the aim of which is to gain an advantage at the expense of the Company, such as theft of Company property, falsification of financial records, inaccurate and false expense reports, unauthorised use of Company assets for personal purposes, or other dishonest conduct. The Company will promptly investigate all reported instances of fraud and take appropriate action.

If you become aware of conduct that may constitute fraud, you should not investigate it yourself. You should report your concerns to the Risk management and internal audit division (Internal audit department), which will investigate them.

…my manager is putting pressure on us to “make the numbers fit”?

It is your duty to be honest and accurate, especially in fulfilling your job duties.

If you feel under pressure to act otherwise, contact the Risk management and internal audit division (Internal audit department).

…I am a manager. How can I promote ethical behaviour?

There are many ways. One is by personally setting an example of ethical behaviour. Another is to encourage questions and feedback from employees, or to discuss ways to resolve ethical issues that arise.

…I suspect that my supervisor or manager has accepted a bribe from a supplier or third party. What should I do?

Report the matter to the Risk management and internal audit division (Internal audit department).

Conflict of interest policy

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02 Conflict of interest policy

2.1 What is a conflict of interest?

A conflict of interest is an action or omission by an employee of the Company that is influenced, or may appear to be influenced, by a personal interest that conflicts with the interests of the Company. A conflict of interest[2] (actual, potential or apparent) may also arise in a situation where the impartial and objective performance of work, duties or responsibilities is or may be affected or threatened as a result of personal or other similar relationships between stakeholders[3] involved.

Potential, apparent or actual conflict of interest in the workplace should be disclosed in a timely manner to ensure proper review and resolution.

It is important to note that a conflict of interest is not necessarily a problem. It becomes a problem if it is not disclosed and is exploited for your own personal benefit or the personal benefit of someone else.

Your private life is, of course, your personal business. However, a conflict of interest may arise if you engage in activities or pursue personal interests at the expense of the Company's interests. Even if no wrongdoing is intended, the appearance of a conflict can have a negative impact. It is important to consider how your actions may be perceived and to avoid them being seen as a conflict of interest.

A conflict of interest occurs when your private interests – whether financial or non-financial – affect, or appear to affect, your objectivity, independence or integrity in the performance of your duties.

[2] Internal regulation "Conflict of Interest".
[3] For the purposes of this Handbook, stakeholders include all employees of the Company, members of the Company's bodies, Company's partners i.e. all physical or legal persons in any legal relationship with the Company who are obliged to adhere to the Zero Tolerance of Corruption Plan based on a contract or other legal grounds (e.g. shareholders, suppliers, trading counterparties, interest associations, non-governmental and non-profit organisations, state bodies or institutions, etc.)

2.2 How do I know if I am in a conflict of interest?

Unfortunately, it is not possible to list all circumstances that may indicate an apparent or potential conflict of interest. One of the best ways to determine whether a particular activity creates a conflict of interest is to ask yourself the following series of questions:

- Have I encountered any situations covered by the Internal regulation Conflict of Interest?
- Would disclosure of the relationship or situation damage my name or the Company's reputation?
- Is my activity in conflict with the interests of the Company?
- Do I, my family or close associates enjoy personal benefits because of my position in the Company?
- Does my activity affect (or appear to affect) the duties I perform for the Company?
- Do I have a difficulty disclosing the relationship or situation to my manager/Internal Audit?
- Could a potential relationship or situation motivate me (or the perception of it by others) to use it to my advantage and to the detriment of the Company?

If the answer to any of these questions is YES, the relationship or situation may give rise to an apparent or potential or actual conflict of interest and you should report the relationship or situation by completing a Conflict of Interest Statement, which is an appendix to the internal regulation "Conflict of Interest".

2.3 What should I do if I am in a conflict of interest unsure whether it is a conflict of interest?

All employees, officers and directors are required to report any circumstances that may give rise to an apparent or potential conflict of interest to the Risk management and internal audit division (Internal audit department), together with a completed Conflict of Interest Statement.

Written reports and **requests for assessment** should be sent to Risk management and internal audit division (Internal audit department), which will consult them with the employee and relevant departments and provide an opinion to the notifier.

For more detailed information on the reporting process and requirements for the assessment of conflict of interest, please refer to the **Conflict of Interest**[4] internal regulation.

Why should I be concerned about a conflict of interest?

To avoid negative consequences and reactions to the Company's actions. The Company has entrusted you with certain responsibilities and powers and expects you to carry out your duties impartially.

Isn't it better to keep quiet about a conflict of interest?

No, the Company's awareness of even an apparent conflict of interest allows it to better manage its conduct and avoid suspicion and allegations of potential misconduct on the part of the Company.

What may be required of me if I am in a conflict of interest?

Each employee shall inform the Company of any circumstances that may suggest, or even appear to suggest, a conflict of interest in order to ensure transparency in the Company's actions and decisions.

[4] Internal regulation "Conflict of Interest".

Based on the assessment of these circumstances, appropriate measures will be taken, if necessary, to prevent the abuse or even the possibility of the conflict of interest being exploited for your personal benefit, the benefit of a related person or a third party, to the detriment of, or in conflict with, the Company's interests.

Do I have to report a conflict of interest even if there is no financial gain or loss?

Yes, a conflict of interest must always be disclosed. May also arise in relation to your personal relationships and connections.

What is wrong with having a relative working for a customer or supplier?

In most cases, nothing. However, the Company needs to be aware of it so that appropriate steps can be taken to prevent the conflict of interest from affecting the Company's actions and decisions. We want to ensure transparency in the Company's decision-making and operations and to avoid any doubts in this regard.

2.4 Frequently asked questions about conflict of interest

"I behave ethically, but what if…"

…I want to become a supplier/customer of the Company and at the same time be employed by the Company?

In accordance with the internal regulation „Conflict of Interest," the Company considers the above to be a conflict of interest. We will approach each such situation individually, however, the employee is required to report it to the Risk management and internal audit division (Internal audit department).

…one of my relatives or close persons[5] works for a customer or supplier of the Company?

It is desirable that the Company be informed of this fact and, again, a Conflict of Interest Statement must be completed. Appropriate steps will then be taken to

[5] Close persons are relatives in the direct line: children, spouse, partner, children of a spouse, children of a partner, other dependents.

ensure that these relationships do not influence the Company's conduct and decisions.

...my nephew is applying for a job with the department I manage?

Company policy does not prohibit your nephew from working for the Company, provided he is hired through a formal recruitment process.

However, hiring him in a department you manage is inappropriate as it could be perceived as a conflict of interest.

Discuss the matter with Risk management and internal audit division (Internal audit department), who will advise you.

…my spouse is a (co-)owner, managing director or member of the board of directors or supervisory board of a company that is bidding to become a supplier to the Company. What should I do?

It is desirable that the Company be informed of this fact and, again, a Conflict of Interest Statement must be completed. Risk management and internal audit division (Internal audit department) will discuss the situation with the employee responsible for the bidding process.

If your spouse's company submits a bid, it is essential that you do not play any role in the supplier selection process.

If that company is selected as a supplier, the Company will take steps to ensure that you are not involved in this relationship.

…I have been offered a part-time job outside the Company, but I still want to work full-time for the Company. What should I do? Can I accept the offer?

If you intend to engage in any other gainful activity (whether through employment with another employer, another contract or entrepreneurial activity) in parallel with your employment with the Company and that activity is in competition with the Company's business, you must obtain the prior written consent of the Company. Submit your request to the Risk management and internal audit division (Internal audit department). Even if the proposed income-generating activity does not compete with the Company's business, you should still contact the Risk management and internal audit division (Internal audit department) to assess the potential conflict of interest in accordance with the internal regulation "Conflict of Interest".

…As an employee of the Company, I also hold a public office. Do I have to inform the Company?

Yes, you do. This situation may put you in a position where you have to make decisions that could have a negative or undesirable impact on the Company.

In such cases, you should report these facts to the Risk management and internal audit division (Internal audit department), together with a completed Conflict of Interest Statement.

…as an employee of the Company, I am also a member of the statutory body of a supplier to the Company. Do I need to inform the Company of this situation?

Yes, you do. You must inform the Company of this apparent conflict of interest by completing a Conflict of Interest Statement and submitting it to the Risk management and internal audit division (Internal audit department).

...important note:

If there is any doubt as to the existence or non-existence of a potential, apparent or actual conflict of interest, it must be reported. The Risk management and internal audit division (Internal audit department) should then be asked to review and assess the conflict and its potential impact. Further details and explanations regarding conflict of interest and their prevention can be found in the Company's internal regulation[6].

An employee who, while employed by the Company, knowingly or intentionally fails to disclose the existence of an actual or potential conflict of interest may be deemed to have committed a serious breach of work discipline under the applicable work rules.

For managing conflict of interest in public procurement, more detailed information and explanations can be found in the Company's internal regulation[7].

[6] Internal regulation "Conflict of Interest".
[7] Internal regulation "Conflicts of Interest in Public Procurement".

Gifts policy

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03 Gifts policy

3.1 Gift and courtesies are related to conflict of interest

Gifts and other benefits (items, courtesies, entertainment, business lunch, reimbursement of travel expenses for conferences, discounts on goods and services offered by the Company's business partners, etc.) are typically given to show appreciation for a job well done. However, they carry a high risk of undue influence or inappropriate behaviour. It is therefore necessary to ensure that gifts do not lead to a commitment or give the appearance of any commitment on the part of the person receiving the gift. Accepting or giving a gift without control measures may be perceived as accepting a bribe, bribery or indirect corruption (as defined in the Criminal Code) with the aim of influencing the Company's actions and decisions.

The line between when a gift is acceptable and when it is unacceptable is not always clear. As a result, we may feel uncertain about what we should do as employees if we are offered a gift, other benefit or courtesy, or what we should do if we intend to offer a gift on behalf of the Company.

Procedures for identifying and dealing with situations involving the receipt/offering of gifts and other benefits, and for documenting them, are described in the internal regulation "Conflict of Interest".

> "If we give or receive gifts, we do so transparently and in accordance with the Company's ethical principles."

Before offering or accepting a gift, you should consider the following:

- Does the same donor offer me gifts/treats/other benefits often?
- Are representatives from other companies also attending the event?
- If I am the only participant from the Company, is there a special reason for this and was it approved by my supervisor?
- What is the estimated expenditure for such an event/gift and is this in line with normal business practices?
- Are there any ongoing negotiations, procurement processes, or other matters that require extra caution?
- Is there a clear business purpose for the Company and am I the right person to attend the event?
- Why is the gift offered to me? Am I expected to do anything in return for accepting it?
- Can the acceptance of gifts and other benefits affect my objectivity or judgment?
- Would I feel uncomfortable or embarrassed if my colleagues found out that I had received the gift? Could I justify my participation internally to the Company or to the public?

3.2 Frequently asked questions about gifts and other benefits

"I behave ethically, but what if…"

…a supplier/customer invites me to a business lunch or other hospitality related event or offers me a gift?

Before accepting the invitation/gifts, consider the questions above. If in doubt, consult your manager or the Risk management and internal audit division (Internal audit department). If the value of the gift/benefit offered or received exceeds the limit defined in the internal regulations (€300), the gift/invitation/benefit must be reported to the Risk management and internal audit division (Internal audit department), which will record it in the "Register of Gifts and Other Benefits", assess the existence of a conflict of interest and determine the next steps.

…I would like to offer a gift on behalf of the Company to the Company's business partners, e.g. a bottle of wine, Christmas gifts, a thank you gift, promotional items with the Company's logo?

You should first discuss the appropriateness with your line manager. If they approve, contact the Communication department.

…I have a friend who works for a major customer/supplier of the Company. Does Company policy prohibit me from accepting a holiday or birthday gift from this person if it goes beyond normal business practice?

Not necessarily. The Company's policy applies to gifts offered in the course of doing business, not to the exchange of gifts between friends and family. However, if the value of the gift is significant, you should contact Risk management and internal audit division (Internal audit department) to avoid any appearance of influence by your friend.

…a company we are considering contracting with has offered me transport to a sporting event and hospitality for the weekend. Is this a problem?

Yes, this is a problem. We choose our business partners and suppliers solely on legitimate business grounds. We do not want to act in a way that could be perceived as a conflict of interest. Whether or not you are directly involved in the selection of that supplier, accepting such an invitation could have a negative impact on the company's reputation and negatively affect the transparency of the Company's decision-making and actions, the impartiality, objectivity and integrity of the employee. It could be perceived as improperly influencing or obliging, or as providing an advantage to the donor, thus creating an appearance of bias. Please, refer to the **internal regulation on Conflict of Interest** and always consult with your superior or the Risk management and internal audit division (Internal audit department) before accepting any gift or benefit from a third party.

…I have been offered a discount on a product from a supplier of the Company. Can I accept it?

You may only accept such a discount if it is clearly available to all employees of the Company and approved by the Company. A discount offered to you personally would be inappropriate and could create an appearance of bias and lack of transparency in the Company's decisions and actions.

…I accept a gift and later realise it is inappropriate. What should I do?

Inform the Risk management and internal audit division (Internal audit department), and they will enter it in the "Register of Gifts and Other Benefits" and provide instructions on how to refuse the gift, including returning it to the giver with an explanation.

…I have received a gift voucher from a long-term supplier/customer. Can I accept it?

This gift should not be accepted as the Company prohibits the giving or receiving of gifts in the form of cash or cash equivalents such as gift cards, vouchers or cheques.

…I am invited by a supplier/customer to a business meeting/conference/reception, and they offer to reimburse my travel expenses. Can I accept it?

In such cases, you may not accept reimbursement of travel and related expenses from any source other than the Company.

04 What are the consequences of unethical behaviour?

The Company does not tolerate unethical behaviour. Deliberate or persistent breaches of ethical standards and the Company's internal regulations may be considered a breach of work discipline, with all the associated consequences under employment law, in accordance with generally binding legal regulations.

05 Conclusion

The purpose of this Handbook is to set up and explain the behaviours expected of employees and provide them with the resources that can be used to make the right decisions. Ethical behaviour should not require extraordinary effort, but should be an integral part of our daily lives.

If you need help making the right decision, please use the resources set out in this Handbook. If you have any further questions or comments, please contact the Risk management and internal audit division (Internal audit department) at eticky.kodex@seas.sk.

Published by: Slovenské elektrárne, a.s.
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