

# ZSE Group Code of Conduct

Acting responsibly at the ZSE Group





## Foreword

**Dear Ladies and Gentlemen,  
Dear colleagues,**

The ZSE Group's purpose is to create a better tomorrow by providing customers the best the new energy world has to offer. At the ZSE Group we believe that we can only fulfil this and develop smarter sustainable energy solutions by acting responsibly and with an open mind. For us, this means listening to our customers and stakeholders and ensuring we take the right decisions and do the right thing even when we find ourselves under pressure or are confronted with difficult situations. It is important for us to always act with integrity in order to not lose our reputation and the trust we have built together over the years.

We are aware that the environment that we operate in is not always easy and may lead us to sometimes take decisions that in hindsight we would not have taken. As such, we have adopted the ZSE Group Code of Conduct to help us take the right decisions. It builds on our values and summarises the standards and principles which we should all adhere to.

We should all feel confident in voicing our opinions and concerns and in challenging behaviour which is inconsistent with the principles of the Code of Conduct - even if that might mean missing targets, generating extra cost or questioning an instruction.

A handwritten signature in blue ink, appearing to read 'M. Kaune', written in a cursive style.

ZSE Group  
Chairman of the Board of Directors and CEO  
**Markus Kaune**

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Our **Code of Conduct** defines our responsibilities

## Introduction

The ZSE Group's purpose is to improve people's lives and create a better tomorrow. Our ability to deliver on this is dependent on our people, our ethical standards and our ability to build long lasting relationships.

Our Code of Conduct defines our responsibilities and how we expect our people to behave to ensure a constructive and productive working environment that supports our core values and beliefs. It guides and supports our people to take the right decisions and do the right thing. A violation of the Code of Conduct may cause damage to ZSE Group, our employees and our partners, and could result in legal action against the ZSE Group and its employees.

The Code of Conduct is based on ten principles of UN Global Compact in the area of human rights, labour standards, environment, anti-corruption and therefore applies to all ZSE Group employees, including the members of the Board of Directors and all executives.

The members of the ZSE Group's Board of Directors and the executives will confirm in writing at the end of each year that they, and those within their areas of responsibility, have acted in compliance with this Code of Conduct.



1

**TAKING CARE OF  
PEOPLE AND THE  
ENVIRONMENT**

## Human rights

**We are committed to the freedom and equality of people irrespective of race, colour, sex, language, religion, political or other opinion, nationality, social, marital or other status. To show our commitment, we support the Universal Declaration of Human Rights of the United Nations and the European Convention for the Protection of Human Rights.**

Diversity is a key to our business activities and corporate culture. We expect all our employees to always respect the dignity, privacy and personal rights of each individual. We do not tolerate any form of discrimination, harassment or abusive language under any circumstance.

It is the duty of every employee to create an atmosphere of mutual respect, decency, trust and solidarity. We, in the ZSE Group, do not tolerate any expressions of physical, mental or sexual harassment. Conduct or language expressions which could negatively affect the feelings of an individual are prohibited in all their forms. Any discrimination based on colour, nationality, ethnicity, political affiliation, social origin, any disability, sexual identity and orientation, religious beliefs, gender or age is prohibited in the ZSE Group. No employee can be physically, mentally, sexually or verbally harassed or abused. We communicate with everyone with respect and dignity.

We preserve  
human rights as well  
as the principle  
of equal treatment

We support  
diversity and protect  
the personal rights  
of every individual

## Health, safety and security

**Ensuring a secure, healthy and safe environment for our employees and all our stakeholders is one of our key priorities. We mitigate risks and promote health, security and well-being of our employees through the constant improvement of our processes, and health promotions and preventive measures.**

We do not compromise on safety practices, behaviours or conditions. No job is worth putting someone's health or life in danger. Thus, we expect all employees and stakeholders to comply with our health, safety and security regulations, promote a safe and healthy work environment and improve our health and safety culture.

All hazards and resulting health risks faced by the employees must be communicated without delay so that they are properly assessed and necessary safety measures are taken. We support transparent reporting of even small incidents so that action can be taken to improve the situation.

It is essential that we work together to achieve a common understanding on how to act and work together safely.

We ensure  
a secure, healthy  
and safe environment

We work according to principles of resources sustainability and protection

## Environmental protection

**Environmental protection is one of the most important concerns in our society. It presents a great challenge in politics, businesses and our daily lives.**

At the ZSE Group, it is our objective to keep our environmental impact responsibly low by understanding our impact, as well as our customers' impact, and by continuously improving our sustainability performance.

We strive to be the environmentally-conscious energy partner of choice for our customers. Our efforts and solutions enable both us and our customers to reduce emissions, increase energy efficiency and contribute to climate change impact mitigation and a sustainable future.





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**CREATING  
SUSTAINABLE  
RELATIONSHIPS**

In our business, we strictly comply with laws and place great emphasis on the prevention of risks associated with criminal liability.

**Criminal liability is an issue that we as the ZSE Group address with the utmost seriousness.**

Every representative of the ZSE Group, as well as our employees, has a duty to carefully assess the risks of their activities and practices, to design and implement measures to minimise them and to carry out their work with professional diligence.

Employees are also obliged to report any possible violation or alleged violation of laws that could give rise to criminal liability of ZSE Group companies, as well as of any persons whose activities are related to our operations. A focus on compliance with laws and ethical standards is an integral part of our corporate culture.

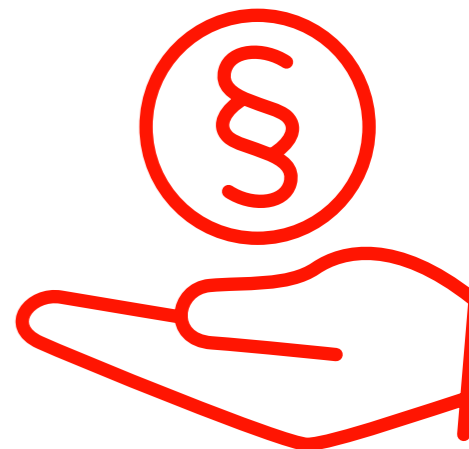
We comply with laws when doing business

## Fair competition and the avoidance of tax evasion

**At the ZSE Group we are convinced that we can only win and keep customers and have sustainable relationships with all our stakeholders if we act responsibly and fairly.**

Therefore, we are committed to open markets and fair competition. It is important for us to always comply with the rules of national and international laws. We also expect this of our business partners and all other market participants.

We expect our employees, our executives and parties we engage with to comply with their tax obligations. We do not tolerate anyone who knowingly assists or encourages tax evasion.



We stand for fair competition and do not tolerate tax evasion





## Avoidance of conflicts of interests

**A conflict of interests is a situation in which there is a risk that personal interests of an employee or third party may impact the ZSE Group's or our customers' interests. It is very important that our employees do not enter into conflicts of interest or loyalty.**

We rely on all our employees to make their decisions solely on the basis of objective criteria, and not to be influenced by personal interests and relationships in business decisions.

We expect that employees notify their superiors or Compliance Team immediately of conflict or alleged conflict between their work and private interests. In connection with such notification, employees are required to disclose information about out-of-work activities, interests or relationships if these give rise (or could appear to give rise) to a situation perceived as a conflict of interests.

Conflicts of interest may particularly arise if an employee acts as a competitor of the ZSE Group, is active for or involved for another company or has corresponding links to it, which concludes legal transactions with the ZSE Group.



## Anti-Corruption

**Corruption generates decisions for unlawful reasons, prevents progress and innovation, distorts competition and harms companies. Corruption is therefore prohibited under penalty and can hence lead to fines for the company and criminal prosecution for the employee, executives and Board members concerned.**

The ZSE Group is committed to fighting corruption in any form all over the world and thus supports the UN Global Compact. We therefore support national and international efforts to combat corruption and reject any corrupt behaviour. This applies, in particular, to granting so-called acceleration payments ("Facilitation Payments" - payments of small amounts directly to the responsible officials that are in charge of the case), which is prohibited in the ZSE Group. These are unlawful and punishable in most countries and can lead to very significant penalties depending on the region.

The Anti-Corruption measures must be adhered in the ZSE Group to when accepting and granting gratuities in dealing with business partners as well as public officials and mandate holders.



## Donations and sponsorship

**We make our donations and sponsorship activities transparent and take responsibility for the common good.**

We use our sponsorship to promote certain objectives, such as educational activities, environmental protection, innovation and community development. We donate voluntarily, demand nothing in return, and comply with applicable laws and local regulations. We categorically exclude donations to political parties, political candidates, public officials or civil servants.

The ZSE Group refrains from exerting any form of pressure, direct or indirect, on public officials in order to advance its business interests, nor does it promote them through its employees' membership of political parties.

We ensure transparency in our donation and sponsorship activities



## Avoidance of money laundering and sanction breaches

**Money laundering means the introduction of illegally generated money or illegally acquired assets into legal financial and economic circulation.**

We combat all forms of money laundering, take precautions to avoid being involved in money laundering issues, and comply with applicable national and international sanctions, embargo regulations, and other restrictions of foreign trade legislation. This also applies to our business partners who act on our behalf.

We combat all forms of money laundering and comply with sanctions



## Dealing with suppliers of goods and services

**We maintain a wide range of business relationships with suppliers. These relationships enable us to offer our own products and services at a competitive price. Our economic success depends, among other things, on a careful selection of strong and reliable partners. We therefore carefully select suppliers and service providers according to internal specifications and thereby avoid any improper preference.**

Any employee involved in the selection of suppliers, service providers or other contracting parties who has a personal link and could influence the selection process must notify his superiors because this could be a conflict of interests. No employee may have a provider with whom he is professionally involved, execute any private orders for him, unless authorized by his superiors.



## Dealing with customers

**We offer our customers a wide range of products and services in a professional and non-discriminatory manner.**

In our business, we place a great emphasis on compliance with consumer protection laws.

Treating our customers fairly is key for us, just as it is important for us to offer them appropriate and effective solutions.

We reject any deceptive or misleading practices in relation to customers. We provide information to customers in a transparent, understandable and complete manner, so that no issues that are important to the customer's decision-making process are omitted.





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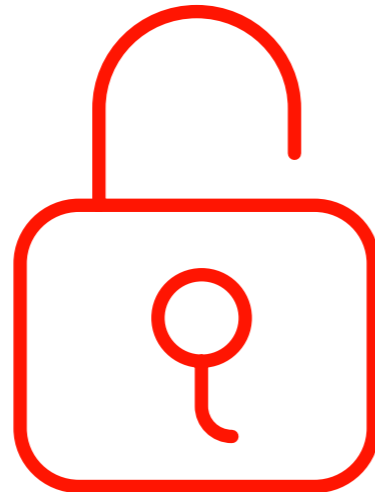
**PROTECTING  
INFORMATION  
AND CORPORATE  
ASSETS**

We take care of the ZSE Group's property and assets

## Corporate assets

**The ZSE Group's assets are used to achieve our business objectives and it is in our interest to protect our property and assets.**

Assets can be financial, physical or intangible. The ZSE Group's assets should only be used for suitable and authorized purposes; the unsuitable or unauthorized use of ZSE Group's assets is prohibited. In this regard, payments to employees or third parties working for the ZSE Group granted excessively or for inappropriate reasons are prohibited.



## Privacy protection

**Special legal regulations exist for the protection of personal data. Data is considered to be personal if it includes any information about natural persons.**

Examples include address, bank details, smart meter data, usage profiles or data in cookies of customers, employees, or suppliers. There are also particularly sensitive categories of data, such as religious denomination and health data.

We have a great interest in protecting personal data against unauthorized processing, unauthorized modification, distribution or deletion. We oblige our employees to protect the personal data entrusted to the ZSE Group against unlawful processing and misuse.

We protect the privacy of every individual



## Confidentiality and business secrets

**The ZSE Group companies have valuable know-how, sensitive and business-critical data and information and extensive trade secrets. It is our responsibility to ensure the confidentiality, availability and integrity of this information, whether in electronic form or on paper.**

The unauthorized transmission of sensitive and confidential information or business secrets, their unauthorized alteration, destruction or disclosure, may cause great negative impacts. It can lead to labour, civil and criminal penalties for the employee concerned and for the ZSE Group. We therefore take all necessary and appropriate measures to prevent misuse of business secrets. The ZSE Group adopt specific rules and regulations for the treatment of confidential information and business secrets.

We acknowledge the intellectual property of competitors and business partners. All employees are obliged to keep third party business and trade secrets and to only use them as agreed with the respective third party and to the extent agreed, taking into account the purpose for which such information or documents are held.



## Insider information and trading

**We are committed to fair and sustainable securities trading. It is important for the ZSE Group's reputation that we treat insider information as confidential.**

In the performance of their duties, employees may learn material information about the activities, results or decisions of ZSE Group companies or other companies before this information becomes public.

Persons that have access to insider corporate information of the ZSE Group or other company (customer/contractor/partner) whose securities are traded on the stock exchange are not allowed to trade in securities of such companies, or financial instruments whose prices directly or indirectly depend on securities of such companies.

Insider corporate information must not be disclosed or made available to third parties without prior authorisation and outside the normal course of business. Persons who have access to insider corporate information may not provide or arrange for the provision of advice on the purchase or sale of securities.





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**COMPLIANCE  
AND REPORTING  
INFRINGEMENTS**

Compliance with law, rules and regulations is for us an essential basic principle of responsible business conduct. The ZSE Group companies adhere to legal requirements at all times, even if this involves short-term business disadvantages or difficulties for the ZSE Group or individuals.

This Code of Conduct will help understand culture and way of working in the ZSE Group. However, employees may be confronted with complex situations where they feel that these documents do not provide a clear answer. When this is the case, we expect the employee to discuss the matter with their line manager or with the Compliance Team.

We expect employees, members of the statutory bodies of the ZSE Group, as well as business partners or third parties, to report any infringement or alleged infringement of the Code of Conduct that they identify to us (even anonymously) through the appropriate communication channels. Suspicions of unethical, illegal or inappropriate behaviour will be thoroughly investigated.

Notifications can be sent to the responsible persons in the Compliance Team by post, email or via a web form. Employees can also contact the Compliance Team in person.

We encourage employees to use the reporting system and ensure they are fully protected from retaliation. More details can be found here: [www.skupinazse.sk/wbl](http://www.skupinazse.sk/wbl)

## Are you seeking advice?

If you have any questions, please contact your line manager or the relevant member of the Compliance Team



## Frequently asked questions

### How can rule infringements be reported?

Where the Code of Conduct is infringed, employees may inform their supervisor or the Compliance Team. Reports of violations of the Code of Conduct, as well as laws and antisocial activities according to the relevant regulations (whistleblowing) may also be made anonymously. In the event of concrete indications, investigations to clarify the facts are initiated straight away and suitable counter-measures taken.

### Are reports treated in confidence?

The reports are examined by the Compliance Team in collaboration with the relevant ZSE Group units or investigation committee. Reports are treated in confidence. Where the complainant's identity is known, it is kept secret. In the case of a non-anonymous report, the complainant will be informed about the resolution of the matter and the measures taken.

### What happens if the Code of Conduct is infringed by accident?

We want to learn from our mistakes and view them as opportunities. But in order to learn from them, we first have to acknowledge them. It is desired and expected that mistakes and misconduct be pointed out. Only by doing so can we collectively protect our employees and the companies within the ZSE Group from potential harm. Employees who address or report mistakes and misconduct will not be disadvantaged, and no retaliation for their actions will be tolerated. Employees who have been accused of misconduct are also treated fairly.





## Code of Conduct to go

Our Code of Conduct defines our responsibilities and how we expect our people to behave to ensure a constructive and productive working environment that supports our core values and beliefs. It is a fundamental document for our employees, helping them make the right decisions.

If you don't have the Code of Conduct at hand, here are three important questions which you should ask yourself whenever you are unsure:

- 1.** What would others think of this decision?
- 2.** Am I willing to accept the responsibility for this decision?
- 3.** Is this decision compatible with the ZSE Group Code of Conduct?

Remember:

- **Act when you see a problem.**
- **Ask if you are not sure.**

[compliance@zse.sk](mailto:compliance@zse.sk)

