

## ZSE Group Human Rights Policy

The group of subsidiaries of *Západoslovenská energetika, a.s.* ("ZSE Group") is a leading energy company in Slovakia, whose parent company *Západoslovenská energetika, a.s.* is a member of the E.ON Group, the biggest energy group in Europe. The mission of the ZSE Group is to supply electricity and gas and distribute electricity, and provide relating global energy services to all groups of customers: households, small and medium enterprises and strategic Slovak businesses. The services are provided reliably and in the long-term, in an environmentally-friendly manner, respecting the EU rules.

**Respect for human rights is an integral part of corporate culture of the ZSE Group which is committed to respecting human rights wherever we operate.**

### Our commitment to human rights

This human rights policy statement applies to all employees in all companies of the ZSE Group, business partners/suppliers and, within our sphere of influence, to further parties in our supply chain. This policy commitment extends to all companies that are a member of the ZSE Group.

The ZSE Group recognizes the United Nations (UN) Global Compact Initiative and upholds its ten sustainability principles. Our commitment to human rights also includes the acknowledgement of the following international documents:

1. The International Bill of Human Rights.<sup>1</sup>
2. The Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and its fundamental conventions.

Our responsibility to respect human rights requires being aware of abuse and knowing how to manage risks and opportunities to improve the conditions of the people we impact with our operations. Accordingly, the ZSE Group upholds the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises and the OECD Due Diligence Guidance for Responsible Business Conduct. The ZSE Group is committed to good corporate governance and to the UN Sustainable Development Goals (SDGs).

### Respect for stakeholders

We know that our business operations have an impact on the people around us. Part of our corporate responsibility as an important energy company operating in Slovakia is to recognise the role we play in society. This means we have to minimize negative effects through our business and to increase the positive influence we can have. This refers to our employees as well as job applicants, but also to business partners in our business and along the supply chain. Furthermore, our commitment to human rights shows respect for the customers we supply with our products and services, for the communities in which we live together and last, but not least, for local and national governments with which we seek an open and transparent relationship.

### Our supply chain

We deem of great importance that ZSE Group's human rights standards are also upheld by our suppliers, contractors and other business associates. Accordingly, our Supplier Code of Conduct clearly outlines our human rights expectations towards suppliers, including fair working conditions, health and safety, the respect of freedom of association and collective bargaining, the right to non-discrimination, the prohibition of harassment and the prohibition of child labour and forced labour.

In the context of our responsibility to uphold human rights along the supply chain, we are also committed to responsible procurement practices and responsible sourcing.

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<sup>1</sup> The International Bill of Human Rights consists of the Universal Declaration of Human Rights, and the two main instruments through which it has been codified: the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR).

## Key human rights areas

Our approach to human rights embraces on the one hand those fields of action which are relevant for all corporations operating on an international scale, and on the other hand those specific for the energy sector. Our commitment comprises especially the following key human rights areas:

### 1. Diversity and equality

Integrity, openness and mutual respect are important values for us. We are convinced that a work environment that is characterized by equal opportunities and inclusion is vital for sustaining the satisfaction of our employees. We do not tolerate discrimination or harassment of any person. This rule shall also apply to business partners which act on behalf of the ZSE Group.

Diversity and inclusion are a basis of our vision and values. All our colleagues are unique and work at workplaces about which we believe that our differences are appreciated, respected and celebrated, where everybody is given an opportunity to fully use and develop his or her talent and skills. We wish that everyone who works for the ZSE Group feels welcomed and proud of being part of the company that improves quality of lives regardless of race, age, sex, ethnical affiliation, religion, skills or sexual orientation.

In line with our values, every employee of the ZSE Group has the right to equal opportunities and shall fight discrimination and prevent any form of harassment in his or her sphere of activity. Our aim is to create diverse and inclusive environment for all employees of the ZSE Group.

### 2. Provision of a good and safe working place

Members of the ZSE Group as employers care for the health and well-being of its employees. Operational safety and health is of utmost importance to our business. It is our goal to achieve a positive safety culture for our employees, suppliers and contractors. All employees have the duty to help in identifying, evaluating and eliminating any kind of risk to a safe working place. In 2022, we updated our Occupation Health and Safety and Environment Policy in which we outlined our zero-tolerance approach to accidents and work-related diseases.

We have a responsibility towards our employees, as well as everyone else working on the ZSE Group's premises, to have appropriate access to needed resources, including the satisfaction of basic needs like access to potable water.

We are also committed to providing fair working conditions to our employees and enable our employees to maintain a good work-life-balance. We see this as a prerequisite for employees to engage with their own families and in the communities in which we live and work.

### 3. Freedom of association and collective bargaining

We support the core conventions of the International Labour Organisation concerning the right of association (C 87) and right to set up trade unions (C 98). The ZSE Group, its business partners and suppliers, respect the rights of their workers and employees to join or set up trade unions and workers' councils of their choice to facilitate close co-operation between employee representatives and management. We respect the principles of collective bargaining and ensure that workers and employees active in trade unions or workers' organizations are not discriminated against.

### 4. No acceptance of child and forced labour

We do not accept any form of child labour according to the ILO conventions C 138 (minimum age for admission to employment) and C 182 (prohibition and elimination of the worst forms of child labour as a matter of urgency). We do not tolerate forced or compulsory labour in all its forms according to the C 29 adopted by the International Labour Organisation and we respect C 105 (abolition of forced labour). Likewise, we are committed to ethical and responsible recruitment practices.

## 5. Respect for local communities

As a leader of utility companies, we do have the duty to minimize any negative physical, social and environmental impacts and risks on local communities. We recognise their special circumstances and that we must understand the concerns and expectations of the communities we work and live in to safeguard both, their and our long-term prosperity.

## 6. Data protection and product safety

Privacy of the ZSE Group's employees is protected by European Union law, applicable laws of the Slovak Republic and internal rules which define which information and personal data can be required from the employees. There are procedures which define processing and protection of this information and personal data. The protection of the personal data entrusted to the ZSE Group against misuse is fundamental and such expectation is also reflected in our Code of Conduct.

We also set high and uniform standards that go beyond regulatory requirements, to provide the maximum safety in the products we offer. This is essential to safeguard our customers' health, maintain their trust and a successful partnership with them.

## Implementation

Division for Human Resources oversees the implementation of this policy. The Division is the first contact for our employees and contractors concerning the cases of the violation of human rights. The role of the Division for Human Resources is to proactively monitor healthy working environment, relations at the workplaces and within supply chain and contribute to the safe and conformable corporate culture for all employees, contractors and business partners. The Division for Human Resources is committed to ensuring equal opportunities for all job applicants and all employees of the ZSE Group regardless of their type of position and in line with 69 conventions of the International Labour Organisation to which the Slovak Republic is committed<sup>2</sup>.

The Division for Human Resources may consult the Logistics Department, Corporate Development and Innovations Department, Legal Services Department or management of the ZSE Group.

The ZSE Group aims to implement the policies to support and integrate this commitment to human rights on an annual basis. We have a responsibility to raise our awareness of employees, suppliers and business partners about human rights related issues and encourage them to take action to safeguard respect for human rights.

We work continuously with our employees to ensure that they are well informed and trained with regard to the impacts our business can have on human rights.

At the supplier level, we communicate our human rights expectations through our Supplier Code of Conduct. Human rights criteria are an integral part of our supplier onboarding process with a special focus on health and safety.

Given the inherent risk posed by our activities, the ZSE Group is committed to continuously revising its due diligence processes to improve the incorporation of human rights into supply management processes, including risk assessment, compliance and monitoring. We commit to addressing the inherent human rights risks posed by specific procurement categories and locations with the aim of adopting a more precise human rights approach.

## Grievance mechanism

To address problems and concerns about the effective implementation and the corresponding enforcement of this policy, we encourage employees to contact the Division for Human Resources, HR Business Partners Team (HRBP) or their line manager or our Compliance Manager. Additionally, employees can report anonymously on suspected breaches of the Code of Conduct using the whistle blower hotline. Such concerns may be raised in person, via mail, telephone or email. The whistleblowing mechanism can be used by external stakeholders, including the potentially affected, to raise complaints regarding human rights topics.

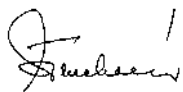
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<sup>2</sup> <https://www.employment.gov.sk/files/slovensky/ministerstvo/medzinarodna-spolupraca/medzinarodne-organizacie/medzinarodna-organizacia-prace-mop/zoznam-dohovorov-mop-ktorymi-je-sr-viazana.pdf>

## Reporting and review

The Division for Human Resources is committed to report on our human rights performance, including the implementation of this policy, thereby upholding the principle of transparency. The present policy will be continuously reviewed and improved with the aim of ensuring appropriate implementation within our processes and management procedures.

Bratislava, November 2022



Silvia Truchanová  
Director of Human Resources Division



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