

# PGE Capital Group Code of Ethics

Effective from: 2024-02-01  
Version C



*Leading in the green transition*

# PGE Capital Group Code of Ethics



The PGE Capital Group Code of Ethics (hereinafter: the “Code of Ethics” or the “Code”) is a set of values and principles applicable to the entire PGE Capital Group (hereinafter: “PGE Group” or the “Group”). The Code sets out the Group’s fundamental ethical values and standards, the compliance with which is expected from the employees, regardless of their function or position.

Everyone acting for and on behalf of PGE Group throughout its value chain is obliged to know the Code and, above all, to comply with the values and principles set out in the document.

We raise awareness among the employees and other persons acting on behalf of PGE Group companies about the compliance with the legal and ethical standards described here, and we take reasonable care to ensure that these standards are met.

The PGE Capital Group Code of Ethics governs the method of reporting non-compliances in the case of violating and non-observance of the applicable values and principles.

In the case of PGE Group companies which, based on the applicable legislation, must remain independent to the extent required for a distribution network operator, the provisions of this Code are applied with respect for the applicable rules regarding their operation within the structures of a vertically integrated enterprise.

This Code is subject to periodic reviews and updated as needed.

## Our values:

Partnership

Development

Responsibility

## Our principles:

### Our company

- We care about the sustainable and safe development of the PGE Capital Group
- We are here for our clients
- We care about the climate and the natural environment

### Fairness at our company

- We compete fairly
- We do not tolerate corruption or unfair practices
- We handle company information responsibly

### People around us

- We care about human rights, including safe and friendly working conditions
- We work on self-improvement, act pro-actively and take the initiative
- The safety and health of those working for PGE Group are our priority

### Integrity in relations with third parties

- We care about good relations with our business partners
- We care about good relations with local communities
- We build trust by duly informing about our activities

# Our values:

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## Partnership

– stands for our employees’ identification with PGE Group and the resulting synergy; it is creative and effective collaboration between companies and segments, as well as between individual staff and teams leads to synergies in every area of our operation – to the benefit of clients, owners, employees and business partners. Partnership is all about relationships based on respect.



## Development

– stands for continuous improvement of people, organisations, processes and technologies; it is about fostering conditions for innovation, actively searching for new solutions. Development requires courage to bring about change and create a new reality.



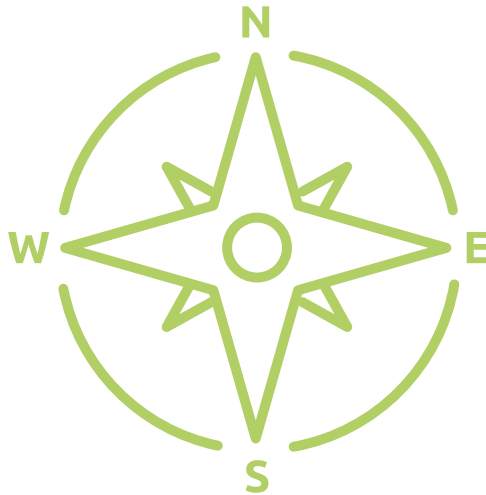
## Responsibility

– stands for ensuring the energy security of Poland and caring about the development of the Polish economy, our company’s sustainable development as a good place to work at, as well as respecting the highest standards of workplace health and safety; it is the reliability of both our organisation and everyone therein. Responsibility is about fairness in every action we take.

# Our principles

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The work culture at PGE Group is founded upon a set of rules respected by all employees working for or on behalf of the company. Our most important principles address our attitudes towards the company, employees, business activities and external relations.



# Part 1.

# Our company

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## Our principle:

# WE CARE ABOUT THE SUSTAINABLE AND SAFE DEVELOPMENT OF THE PGE CAPITAL GROUP

At PGE Capital Group, we do business in a way that makes it possible for PGE Group companies to develop in a sustainable, stable and safe manner. Our everyday decisions should reflect our long-term perspective. We care about the safe and reliable generation and supply of electricity and heat. We contribute to the social and economic development of the country and promote consumer patriotism. Managing our company in a professional and economically efficient manner and providing appropriate support to our clients and business partners is the greatest contribution that we can make to the socio-economic development. We act responsibly, preventing and – as far as possible – limiting any negative impact of our company's operations on the climate and natural environment.

## How do we do this?

**We adopt a long-term perspective.** We plan and run our business in such a way as to ensure sustainable development in the long term. Our everyday decisions reflect our long-term perspective and foresee the effects of our activities. We aim to contribute to the development of Polish society. We care about our own development, but also about the development of companies that are our business partners.

**We care about the safety of resource mining and the generation and supply of electricity and heat.** Our objective is to supply electricity and heat reliably. This applies to both the use of the most effective and reliable technologies and to the diversification of energy sources. We attach a great deal of importance to the stability

of resource mining, as well as the reliability of electricity and heat production and distribution systems.

**We apply the principles of circular economy (CE).** In all areas of operations, we carry out actions that consist in closing resource cycles, optimal use of resources, protection of natural raw materials and minimisation of the adverse impact on the climate and natural environment by, for example, reducing the amount of waste generated and striving for zero emissions.

**We care about our infrastructure.** PGE Group safeguards infrastructure elements that are crucial for the society. Our activities meet safety requirements. We protect our employees and resources, both material and intellectual (e.g. information). All managers and supervisors are tasked with continuously improving the level of safety in their respective areas of operations. Every employee, contractor, consultant and any other person working for PGE Group is obliged to report security-related incidents, as well as weak links in the security system.

**We care about sustainability in our value chain.** Through education, partner relations and the highest standards of operation, PGE Group raises awareness about sustainable activity. For PGE Group, a sustainable company is one that not only meets the standards itself, but also takes reasonable care in selecting its business partners. It is also a company operating in an ethical manner and with respect for the climate and the environment, considering its carbon footprint. We operate based on the principle that only by taking action together through the value chain will strategic plans in the area of sustainability be achieved.

## Our principle:

# WE ARE HERE FOR OUR CLIENTS

PGE Group is client-focused. We take action to deliver products, services and solutions that meet our clients' expectations in terms of quality, safety, concern for the climate and eco-friendliness. Fairness in the market requires each one of us to treat our clients in a manner that is ethical and consistent with the law. We win new clients through the high quality of our products and services and fair competition. We do not engage in unfair or misleading trading practices. Our offer is presented to our clients in a clear and understandable manner. We keep the promises we make to our clients.

## How do we do this?

- **We treat our clients with respect** – individual and institutional clients alike.
- **How do we do this?** We attach a great importance to building **long-term, positive and trust-based relations with our clients**.
- We are held to high ethical standards in business relations with our clients. We approach the processing of data and information, including personal data, with fairness and prudence, particularly when it relates to sensitive client data or important information pertaining to their business.
- We take into account the interests of clients in the decision-making process at PGE Group.
- We lay down fair contractual terms and conditions in relations with our clients.
- We inform our clients about contractual terms and conditions in a manner that is understandable to them.
- In relations with our clients, we apply transparent rules.
- Together, we strive for zero emissions.
- We are open to dialogue with our clients. We listen to their opinions by conducting periodic opinion surveys, as well as by holding discussion panels with stakeholders.
- We raise our clients' awareness in the area of sustainability.

Our principle:

## WE CARE ABOUT THE CLIMATE AND NATURAL ENVIRONMENT



At PGE Group, we observe the applicable environmental regulations in all aspects, including the emissions of air, water and earth pollutants. We operate in a way that aims to minimise our impact on the environment. We use natural resources rationally.

### How do we do this?

- **We regularly monitor and reduce any negative impact of our activities on the climate and natural environment.** We do this both in the area of technologies applied in our operations and during our everyday work. We strive for identifying risks to the climate and environment along the value chain. We set environmental objectives for our operation.
- **We use natural resources effectively.** We reduce our climate and environmental footprint and promote the sustainable use of the essential natural resources. Our activity is focused on the application and implementation of environment-friendly and cost-efficient solutions in the area of resources, raw materials and post-industrial energy waste. We manage

the streams of post-industrial raw materials in accordance with the circular economy, with a focus on the environment and sustainability.

- **We champion innovation.** We support innovative solutions that contribute to reducing the climate and environmental footprint of our products and services.
- **We assess the impact of our activities on the climate and natural environment.** When making decisions about modernisations and new investments, our environmental and climate footprint is always an important criterion. We are convinced that being sustainable brings benefits to both our shareholders and the society.
- **We take action to protect nature and its biodiversity.**



# Part 2.

## People around us

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## Our principle:

# WE CARE ABOUT HUMAN RIGHTS, INCLUDING SAFE AND FRIENDLY WORKING CONDITIONS



At PGE Group, we respect each other. We promote cooperation, fairness and taking the initiative. Our employees are our biggest competitive advantage. We are proud of their experience, knowledge and skills. We respect our employees' privacy. In our operations, we are guided by the existing laws and professional standards. Persons in managerial positions at PGE Group should lead by example in every aspect of professional life, and their behaviour should be shaping our workplace standards. We strive consistently to ensure that our work environment is healthy, safe, free of any forms of mobbing, discrimination, harassment, and any other reprehensible conduct. We support diversity and take action to ensure it.

## How do we do this?

- **All employment-related decisions are made in line with PGE Group's corporate employment rules.** We apply objective and non-discriminatory criteria to hiring and promoting employees, with observance of all applicable formal regulations and arrangements with social partners. We always begin with internal recruitment, which allows us to retain

in our organisation people with a wealth of experience and qualifications, at the same time providing them with opportunities for professional and personal development.

- **When hiring new employees, we observe the highest standards in terms of the organisation of the work environment, and the basic form of employment is a contract of employment for an indefinite period of time.**
- **We foster the sense of belonging of a new employee to PGE Group from day one.** To this end, every new employee undergoes an adaptive programme.
- **We spare no effort at making sure that our employees have a friendly work environment. We care about the well-being of our employees.** We create jobs in which employees can successfully and effectively complete their tasks, with their successes bringing satisfaction and motivation for further professional and personal development.
- **We analyse salary levels to prevent pay gaps between men and women in equivalent positions.** The identification of pay gaps is the first step to reducing them. When making pay-related decisions, PGE Group does not take into account the employee's gender, but only their skills and qualifications for the tasks set before them.
- **A responsible superior.** Persons at managerial level should lead by example in every aspect of professional life. It is the superiors' behaviour

that shapes standards in the workplace. Each superior at PGE Group should know the energy industry and base every decision on the overriding objective of ensuring economic, ecological and safe supplies of electricity and heat. Superiors should make it possible for employees to develop their own potential by setting goals, delegating responsibilities and providing fair and constructive feedback. Thanks to this, employees can develop their competences as well as complete their tasks in an even better and more effective manner. Superiors should have a sense of particular responsibility for respecting ethical principles at all times.

- **Mutual respect.** At our organisation, we respect employees at every level, and we value their contribution to the entire Capital Group. We are convinced that the entire organisation's success is being built upon a diversity of knowledge, skills, professional qualifications, experience, personalities and viewpoints. In relations with employees, we maintain high standards of personal culture and mutual courtesy, both in and outside the office.
- **Freedom of opinion and expression.** We create an atmosphere in which our employees may express themselves freely. We promote teamwork free from prejudice. We respect all people and their right to express their own opinions, views and to privacy.
- **Openness to diversity.** We accept all diversity, understood in the categories of origin, race, gender, sexual orientation, culture, age and marital status, as well as religious beliefs and political views or the membership, or a lack thereof, in social and professional organisations. We are open to people with disabilities and their needs. At our organisation, we do not tolerate any forms of discrimination, untoward or improper conduct or offensive comments addressed to other people.
- **Right of association.** We respect the employees' right of free association as they see fit, in trade unions or other organisations that represent them. Respecting this right, PGE Group engages in an open and constructive dialogue with employees and their representatives.

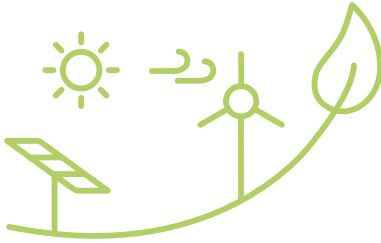
- **Information and consultation obligations towards employees.** We recognise and implement the obligation to inform and/or consult employees whenever it is required by the provisions of generally applicable law. We hold ourselves to the highest standards in terms of the protection of personal data and privacy of our employees by conducting transparent communication in the area of personal data.

**We respect and protect human rights, including children's rights and labour rights.** Values and principles underlying our operations are in line with fundamental principles specified in:

- Universal Declaration of Human Rights;
- International Labour Organisation standards;
- United Nations Global Compact commitments;
- Convention on the Rights of the Child (UNGC and UNICEF);
- Guidelines of the Organisation for Economic Co-operation and Development (OECD) for multinational enterprises;
- Guidelines on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework.

## Our principle:

# WE WORK ON SELF-IMPROVEMENT AND WE ARE PRO-ACTIVE, WE TAKE THE INITIATIVE



At PGE Capital Group, we are creating an environment that is conducive to competence development, advancement of professional qualifications and the sense of individual responsibility. It is important to us that all of our employees have the opportunity to achieve success thanks to their skills and effective work. At our company, we promote cooperation, fairness and taking the initiative.

## How do we do this?

- **We strive to properly use our employees' competences and effectively manage the transfer of knowledge and skills within PGE Group**, so we make every effort to support employee mobility through relevant mechanisms and standards.

- **We know the importance of continuous development and competence improvement**; therefore, we make every effort to secure funds for training and development activities. We are aware of the fact that the development of our employees occurs not only through dedicated development programmes but also, and more importantly, through participating in project team work and tasks.
- At our organisation, we highly value **involvement, creativity and openness to changes**. We support employees' ideas and help them develop them, both professionally and in terms of social involvement. We attach a great deal of importance to ensuring that our employees are informed about the directions of activities of their team, their company and the whole PGE Group.
- **We share knowledge and learn from each other**. The competence and experience of our employees are our capital. We create conditions for building interdisciplinary and inter-generational teams. We focus on cooperation and good relations in teams. We analyse potential errors and use the results of this analysis to build our experience and self-improvement.

## Our principle:

# SAFETY AND HEALTH OF THOSE WORKING FOR THE GROUP ARE OUR PRIORITY

Our processes, facilities and installations organised with a safety culture in mind are used to ensure the health and safety of everybody who works for PGE Group. Our ambition is to build an organisation where no injuries at work happen. It includes both our employees, contractors working on site or using the equipment of PGE Group companies, and third parties.

## How do we do this?

- **We improve the safety culture in the Group, we also inspire our business partners to improve it continuously.** All employees are obliged to perform their work in compliance with the health and safety rules. Employees are committed to ensuring safety and protecting health and life. **Managers are responsible for the organisation of safe and healthy working conditions.**
- We ensure that PGE Group companies have a OHS management system in place.
- We build an atmosphere of openness to reporting all OHS-related aspects.
- We ensure the identification and elimination of threats. We take measures to minimise risk.
- We operate our equipment safely. We ensure the condition of assets that meet safety standards.
- We regularly train our employees in the area of OHS.
- **We respect workplace health and safety standards and regulations.** We require everyone working for us to know and abide by the relevant legal requirements and PGE Group's workplace health and safety rules. It is of particular importance to us that employees inform their superiors of any dangerous situations and irregularities observed. We do not tolerate work under the influence of any intoxicating substances, including alcohol and drugs.
- **We provide a safe and healthy work environment.** We care about the health of our employees, and we constantly monitor and develop good workplace safety conditions as well as the safety of our facilities and technical equipment.
- **We provide all employees with access to information** about occupational risk and methods and resources of performing their work safely.
- We monitor the OHS status at PGE Group in the area of work performed by both our employees and our contractors, we react to accidents and near misses, we carry out analyses and take follow-up actions in this regard.
- We monitor the contractors' fulfilment of their OHS obligations resulting from both legal and contractual requirements.

# Part 3.

## Fairness at our company

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Our principle:

## WE COMPETE FAIRLY



We treat all entities and people we have contact with in the market in an honest and fair manner, this is the priority of our activity. This applies to consumers purchasing our products and services, local communities, as well as our competitors and suppliers. Our commitment to fairness is backed by the obligation to respect the law in every area in which we do business. We act in observance of the existing laws, standards and PGE Group's internal regulations. All employees should know and respect the laws and internal regulations that are applicable to their scope of professional duties.

**We respect the law.** All PGE Group employees respect the existing laws and internal regulations and act in accordance with PGE Group's ethics rules. We build our relations based on mutual trust, responsibility and respect.

We respond to our stakeholders' reports of suspected non-compliance with the rules applicable at the company and/or with legal provisions.

**We follow competition rules.** We believe that fair competition is an essential factor in economic effectiveness. All arrangements with our competitors are made in a manner ensuring compliance with competition rules. We do not operate in a manner that limits or eliminates fair competition, we respect antitrust regulations and act in accordance with business standards that meet the expectations of our clients and the public opinion. We believe that companies operating in accordance with fair and transparent rules are appreciated by consumers and create value for their shareholders

## How do we do this?

- **We build awareness of the existing laws and PGE Group's internal regulations and standards.** Everyone is required to know the legal provisions and internal regulations that apply to their scope of duties.
- **We respect antitrust rules and competition and consumer protection laws.** We are aware of the responsibilities that fall on the industry leader, and we do not abuse our dominant market position. We take no part in cartels or any other collusive schemes. Our market competitors are partners with whom we work for the good of our clients. In our operational activity, we avoid conflicts of interest.
- We conduct activities aimed at protecting the interests of consumers and preventing violations in this respect.
- We build our competitive advantage based on **legal sources of information.**
- **We safeguard information that might have an impact on competition.** Information that is protected or that might have an impact on the market, including information pertaining to PGE Group's operating and strategic activities as well as PGE Group's relations with other companies, may not be used in carrying out financial transactions or be disclosed to unauthorised third persons. The use of such information is strictly limited by law. We do not make arrangements with our competitors regarding prices, rebates, marketing plans, market sharing, etc.
- **We conduct financial operations in a manner that is transparent and in line with the law.** In our business activity, we prevent money laundering and terrorist financing and take measures to mitigate risks in this regard. We achieve this by, for example, monitoring our payments, invoices and transactions conducted. Our company does business only with well-regarded entities, the actions of which raise no doubts and are in compliance with the law.



## Our principle:

# WE DO NOT TOLERATE CORRUPTION OR UNFAIR PRACTICES



At PGE Group, we have a **zero tolerance** policy with respect to **bribes and any other forms of corruption**. We do not give or accept improper financial, personal or other gains that could be construed as undue advantage. An undue advantage is an advantage that can be regarded as a bribe for a recipient, given in order for them to perform their professional duties in a manner expected by the person giving the undue advantage. This sort of prohibited benefits may include cash, gifts, entertainment or leisure travel or any other benefit, also of a non-monetary nature, improving or aimed at improving the situation of the recipient (e.g. professional promotion, getting a job, awarding an order, limiting the scope of professional duties, awarding a foreign scholarship, creating a favourable image in the media, accelerating the performance of a medical operation, sexual activity, etc.).

**We handle PGE Group's assets fairly.** The company's resources entrusted to an employee constitute the property of PGE Group and as a work tool should be used in accordance with applicable internal regulations.

**We treat gifts and invitations with caution.** Gifts or invitations the value of which is above a threshold accepted by our company may be accepted from third parties only if all conditions provided in applicable internal regulations are met. The same applies to a gift or invitation given by a PGE Group employee. It is necessary to be aware of the fact that the line between what is acceptable and what is not acceptable can be easily crossed.

**We avoid conflicts of interest.** We avoid investing in, getting involved in or being additionally employed by companies that are PGE Group's clients, suppliers or other business partners, especially competitors, so as to avoid a conflict of interest in relation to the PGE Group entity for and on behalf of which we operate.

## How do we do this?

- **We do not tolerate corruption.** We protect these assets from damage, loss and theft. We neither accept nor make offers that amount to undue advantage. We do not accept or give bribes. We treat all stakeholders equally. We are cautious about accepting and giving gifts. In particular, we neither accept nor give gifts that could have an impact on business decisions made.
- **We respect PGE Group's assets.** We handle PGE Group's assets, particularly those entrusted to us for use, with caution and care. We protect them from damage, loss or theft. We use PGE Group's assets only for business purposes connected with working for PGE Group. We incur expenses only when justified by business needs. We use company resources (email, Internet, mobile, PC/laptop, copier, scanner, printer, company cars) only in line with the rules specified in PGE Group's internal regulations. PGE Group's assets may be used for private purposes in emergencies only, pursuant to rules specified in PGE Group's internal regulations. PGE Group's assets include company information, PGE brand and logo, materials, resources such as fuel, machinery and equipment, funds, IT equipment and devices, company cars.
- **We support important social objectives pursuant to PGE standards (donations, sponsorship).** As PGE Group, we support charitable, social, humanitarian, cultural, scientific and sport initiatives by providing donations and awarding sponsorship contracts. Each donation agreement and sponsorship agreement granted or concluded by entities within the Group is performed based on the appropriate internal regulations and for the purposes and at such terms and conditions as described therein. All donations should be appropriately justified and registered.
- **We apply clear rules regarding business gifts.** Business gifts must comply with the law and be authorised and appropriate. Exchanging gifts and other favours with business partners should take place in accordance with generally accepted rules for doing business and with the existing laws. A gift may be given or accepted if its material value is negligible, and it has no impact on tasks or decisions and therefore does not give grounds for reciprocation, instead constituting merely a courteous expression of gratitude.
- The giving and accepting of gifts to and from clients and suppliers requires careful examination by the employee. Before the gift's transfer, verification is required as to whether this is permitted by the PGE Capital Group Code of Ethics and respective internal regulations. It is prohibited to give, offer or receive any gifts that aim to exert influence on business decision or unfair advantages or gifts that create such an impression.
- In certain situations, business gifts may be exchanged in the course of developing a relationship, on the condition that:
  - the gift is given for a legitimate purpose, and infrequently;
  - the gift meets all the requirements specified in PGE Capital Group's internal regulations;

- the gift is not in the form of cash or cash equivalent;
- the “zero gifts” policy does not apply to the recipient or giver.

The term “business gifts” does not include sales competitions sponsored by the company and incentive schemes. Furthermore, representation expenses, such as meals and entertainment, are not prohibited, provided that their frequency and nature remain reasonable, and they are in line with the Group’s policies.

- **Gifts for public officeholders.** We keep in mind that giving even a modest gift or offering a meal to a public officeholder might be against the law. To obtain additional advice concerning business gifts, please consult your superior or the relevant Compliance department.
- **We apply the “zero gifts” policy.** Persons exercising direct supervision or participating directly in the selection of suppliers, consultants or service providers; in particular, performing their tasks in the area of Retail, Wholesale and Procurement must observe the “zero gifts” policy, which prohibits giving or accepting any gifts, other than those of a symbolic value. It is always required to consult the superior or the Compliance department at the company whether the given department, function or team are subject to the “zero gifts” policy.
- **Gifts of a symbolic value** are gifts with the company logo applied on them in a permanent manner that are not frequent and whose value is not significant (specific rules have been described in the internal regulations). Examples include, but are not limited to, promotional items such as calendars or mugs given for the purpose of creating an image and representing a brand.

If you have any doubts whether an advantage is allowed at PGE, please consult the appropriate Compliance department at the company.



## Our principle:

# WE HANDLE COMPANY INFORMATION IN A RESPONSIBLE MANNER



**At PGE Group, we safeguard the business value of our information, concepts and ideas.** Work, knowledge, experience and creativity are the source of **innovative projects, concepts** and ideas which we use in our operations. The way in which we use and disclose such information might increase its added value or it might damage it. To safeguard this great asset, we must apply specific means of documenting, protecting, processing and securing our sensitive information and ideas. In particular, we must protect information against disclosure to unauthorised persons and against alteration, loss or damage. Properly securing such data makes its protecting easier and contributes to the development of our business.

## How do we do this?

- **We protect company data, in particular trade secrets and confidential information, and we respect professional secrecy.** We ensure proper and adequate protection of our company information and information entrusted to us by clients and business partners. **All employees are fully aware of the need to protect information**, which is directly tied to the obligation to exercise due care in ensuring that the information in this category, pertaining to PGE Group and our counterparties, retains its confidential status.
- **We protect privacy and personal data.** We protect personal data of our employees, contractors, clients and third parties that cooperate with PGE Group. Personal data are processed in accordance with generally applicable law. We ensure the proper definition and determination of the legal basis for relations with clients, contractors and employees, and thus the indication of the basis for data processing. PGE Group processes data fairly and minimises data processing. At PGE Group, we care about the accuracy of data and respect the rights of persons whose data we process, by allowing them to exercise their rights. We place emphasis on information security, data security and cybersecurity. We monitor the risk of data processing, introduce necessary changes to maintain the high level of security, conduct audits and security tests.

- **We do not pass protected information to unauthorised persons.** Some employees of PGE Group have easier access to protected information regarding the company's operations, its strategy and relations with other companies. These persons must not use or pass on to unauthorised third parties so-called inside information or any protected information for the benefit of themselves or associated persons. The use of such information is limited by law and PGE Group's internal regulations.
- **We protect confidential information.** We protect confidential information until it is made public – we do not disclose it to unauthorised persons, we do not give recommendations based on the confidential information in our possession. We do not use confidential information in trading securities on our own or someone else's behalf. We adhere to the rules on trade prohibitions during closed periods.
- **We protect intellectual property.** Each task performed by a PGE Capital Group employee in part or in full in the course of their professional duties and/or during working time, using the company's resources or information, is the property of PGE Group.

Inventions, ideas, discoveries, improvements, processes, designs, software or other materials which we co-created or authored during work at the company belong to PGE Group. We protect our intellectual property. We also respect other persons' confidentiality and intellectual property rights. We use reports and materials available to us within an authorised scope based on contracts concluded with their authors. We cite sources for the information we use. Intellectual property includes: trademarks, brands, packaging designs, logos, copyright, inventions, patents and business secrets. Our trademarks must never be used disrespectfully or in an offensive manner.

# Part 4.

## Integrity in relations with third parties

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## Our principle:

# WE CARE ABOUT GOOD RELATIONS WITH OUR BUSINESS PARTNERS

We cooperate only with such business partners who do business in a fair and responsible manner. Relations with our business partners are based on mutual trust, respect and professionalism. Purchases and orders are made based on transparent and objective rules, compliant with the applicable law and defined in the internal procedures.

We require the entities with which we cooperate to observe the same fairness standards that we observe. Unethical or unlawful actions by these entities may damage PGE Group's reputation and good name.

## How do we do this?

- **We cooperate with business partners** who share our commitment to the legitimacy, fairness and respect for human rights. We believe that who we select to include in our value chain and how our partners operate affects our reputation and activity; therefore, we strive to ensure reasonable care in this regard. When selecting a new business partner or re-evaluating an existing partner, we ensure that they understand our expectations in this regard. We pay close attention to anything that could breach our standards.
- We select business partners basing our decisions on **substantive criteria**. In selecting and cooperating with them, we follow PGE Group's internal regulations. We carry out an appropriate analysis to assess whether a busi-

ness partner acts lawfully and whether it has a reputation as an ethical and fair company. We also avoid conflicts of interests with partners.

- We have developed a **set of boilerplate clauses used in contracts** with business partners, related to the requirements of anti-corruption, respect for human and employee rights, occupational safety, fire safety, waste management, asset protection, climate and environmental protection, etc.
- **We do not tolerate fraud** in selecting business partners.



## Our principle:

# WE CARE ABOUT RELATIONS WITH LOCAL COMMUNITIES



We are a partner for local communities. We care about the development of the areas where we conduct business activity, we improve the living standards of communities, we support local products and events, we create jobs. We know that our activity affects the lives of local communities. We are their partner, and we take action to have a positive impact on their development. We care about having an open dialogue with them and taking their needs into account, as well as creating chances based on opportunities resulting from mutual potential and being a good neighbour.

## How do we do this?

- **We take action considering the impact of our business activity on local communities.**
- **We support**, according to transparent and objective rules, the activity of legal entities and natural persons, including also PGE Group employees and members of their families, as well as local communities in areas such as **culture, science and education, medicine and healthcare, social welfare, ecological activities and protection of the climate and environment as well as sports, including sports for children, young people and people with disabilities.**
- One of the pillars of PGE Group's social commitment are the foundations operating within it. They support the development and involvement of local communities by conducting activity that consists in awarding grants and implementing original social programmes in a transparent manner.
- Our employees work for the benefit of local communities, for example, by getting involved in **employee voluntary work.**
- We ensure that PGE's gifts come from, as far as possible, Polish, local producers.



## Our principle:

# WE BUILD TRUST BY DULY INFORMING ABOUT OUR ACTIVITY



PGE Group operates in a sector that attracts particular attention in the world of politics and media. Security of electricity and heat supply applies to every consumer and every company in Poland. This is why transparent communication rules are particularly important to us.

## How do we do this?

- **We respect PGE Group's communication standards.** Communication is a natural element of our business activity. How our company is perceived outside depends on what we do and what we say. The same standards apply in internal and external communication. Information should be:
  - **Truthful** – our information is based on truth and facts.
  - **Understandable** – communication is adapted to the recipient.
  - **Relevant** – as a principle, the right

information is provided to the right target at the right time.

- **Transparent** – we provide information in a transparent and proactive manner, whether it concerns positive or negative events. This is what we build PGE Group's credibility on.
  - **Timely** – as soon as we receive information, we communicate it inside and outside the company.
- **We pursue a transparent, reliable and active information policy.**
    - **We have a reliable information policy,** both inside and outside the organisation.
    - We maintain two-way communication with the media, shareholders, institutional and retail investors and analysts. All stakeholders are important to us.
    - **We reliably fulfil listed-company information obligations,** we provide shareholders with equal access to information by properly fulfilling information obligations.
    - **We care about good contacts with clients.** We put emphasis on the development of modern solutions facilitating client-company communications.

- **We care about the image of PGE Group.** Communication is used to build enterprise value. We make sure that the information we provide is truthful, complete and clearly presented.
- **We care about proper, good relations with the media.** PGE Group strives for open and active communication with the media. To ensure openness and responsibility, there is a team responsible for contacts with the media. To make it possible for persons responsible for communication to perform their duties, it is required to always inform the Team on cases of journalists' contacts with employees, including the management.
- We do not use marketing communication based on false or misleading declarations regarding the compliance of a product or offer with environmental protection principles.

## Procedure in the case of reporting non-compliances

In PGE Group, we do not tolerate non-compliances, i.e. non-observation of generally applicable laws or PGE Group's internal regulations, including ethical standards. In particular, this applies to unfair practices, criminal activities, mismanagement, cases of abuse of power, violation of labour rights, conflict of interest, security (physical, IT), OHS, natural environment, accounting matters, financial reporting, bribery, corruption, competition or other issues of key importance to business activity conducted by PGE Group.

PGE Group has in place a system for reporting non-compliances, also anonymously. Anyone who has information about non-compliance should report it. The system is addressed to all internal and external stakeholders.

A person who reports non-compliance may be granted the status of a whistleblower. A whistleblower is a person reporting information on suspected and/or actual non-compliance, whose effects may be damaging to PGE Group, its employees or counterparties, or may threaten the public interest.

Anyone may be a whistleblower, especially employees, consultants, contractors, suppliers and clients. Whistleblowers are subject to protection.

A person who is assigned the whistleblower status has the following rights:

- to submit information in a confidential manner;
- to expect the confidentiality of personal data, function or position and the conduct of an explanatory proceeding in such manner as to prevent the unequivocal identification of the person reporting the information – at this person's explicit request;
- to receive protection against unjust treatment in connection with the report;
- to remain anonymous, with the stipulation that an anonymous report does not offer the right to protection.



## In the event of a suspected violation of the law or the values and principles of the PGE Capital Group, a report can be made in the following way:



- **by contacting the immediate supervisor:** first of all, it is required to contact the immediate supervisor;



- a **letter** to the address of the head of the appropriate Compliance division – ul. Mysia 2, 00-496 Warszawa with an annotation „serve personally“;



- by completing an **online form** available on an intranet or external website;



- by **calling** +48 22 340 12 02 (available 24/7). From Monday to Friday, from 9 am to 5 pm, it is also possible to talk to an employee of the Compliance division.



- by sending an e-mail to: **uczciwybiznespge@gkpge.pl** or (in special cases) to: **rada\_nadzorcza.PGESA@gkpge.pl**. These messages will be received by the Supervisory Board of PGE S.A.;

PGE Group companies may also set up their own, additional reporting channels, which will be incorporated into the Group's system.

In addition, a wide range of possible forms of reporting violations and the possibility of reporting, also anonymously, is designed to facilitate communication for people belonging to a particularly vulnerable group (e.g. people with disabilities), for whom it may be more difficult to use an opportunity to make a report in person. Vulnerable people can report irregularities without fear of being stigmatised for it. The system makes it possible to report both the risk of a violation (warning system) and actual violations made.

## Follow-up actions

In the event of a negative impact in the areas indicated in the PGE Capital Group Code of Ethics or confirmation of non-compliance, we take follow-up action to mitigate the effects of this impact and reduce the risk of occurrence of such events in the future.

If you have any questions regarding the PGE Capital Group Code of Ethics, email us at:

**OpiniaCompliance.pgesa@gkpge.pl**



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