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THREE PILLARS OF RESPONSIBLE BUSINESS

Responsible business has long been more than just CSR. It is also clearly set rules of conduct that are applied both externally and internally within the company, a long-term effort to improve and transparency in providing information.

At SPP, we believe that by applying these rules and demanding similar behavior from our partners, we become a good example for others. Because only together can we become more resilient towards challenges that await us. And only together can society jointly achieve the application of principles of responsible business that are not directly enforceable by the legal system.

Compliance with legislation, internal regulations, and the company's external obligations is an essential basis of responsible business. In the current globalized world, however, it is not only a question of compliance with the rules of core business – i.e., energy, in the case of SPP. The interconnection of regulatory frameworks requires more. Prohibition of any discrimination, corporate social responsibility activities, efforts to do business transparently and increase its sustainability, prevention against money laundering, or ensuring the protection and integrity of our information systems and personal data. Those are only the basics of what our partners care about while deciding on their energy supplier.

Responsible business conduct, therefore, cannot be ensured without a comprehensive compliance program, the basis of which is the SPP Code of Conduct, a set of internal guidelines

in the area of compliance and a whistleblowing system. Our compliance program is based on international standards, it is also appropriately applied to our 100% owned subsidiaries, and we regularly monitor its compliance. Only with such an effectively set up system can we defend the good name of our company and maintain standards of behavior within SPP, but also in relation to our partners.

Sustainability of the business itself is the second pillar of how to ensure that our operations meet the standards of responsible business. Thorough compliance with financial reporting rules and a conservative strategy of purchasing electricity and gas provide us with stability, the benefits of which were proven in extreme situations in the energy sector during the past year.

Dealing with climate change and its impacts, however, requires much more effort than just financial stability. They require as much investment in projects enabling the necessary reduction of greenhouse gas emissions as possible. We may confirm that today more and more customers, especially those which bring jobs crucial for the Slovak economy, are interested in the supply of renewable energy. Our priority, as an energy supplier, is to

meet their expectations. That's why, as a part of responsible business, our long-term strategy prioritizes investments in renewable energy generation in the coming years. Specific goals and commitments for the future, as well as progress in their implementation, are elaborated in detail in our Sustainability Reports, which are another step to comply with responsible business standards.



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Other important partners for responsible business are municipalities and local communities. SPP wants to be their number one choice in energy efficiency and self-sufficiency solutions. Therefore, one component of our strategy entails the

provision of local renewable energy resources for the public sector across Slovakia. Local photovoltaic sources on the roofs provided by SPP already help a number of schools in Slovakia use renewable energy from the sun and reduce their energy costs, and we continue to install them for others.

Our subsidiary, ESCO Slovensko, provides Slovak hospitals with energy efficiency services, thanks to which they achieve energy savings. Our biomethane production projects will not only produce renewable energy from biodegradable waste, but will also help municipalities reduce the amount of waste that would otherwise end up in landfills. And close cooperation with local communities is also essential for the preparation of projects generating electricity from wind energy.

The third pillar of responsible business is transparency. Because only transparency will allow the public to check whether the company is really acting in accordance with the defined values and to what extent it is fulfilling its obligations. At SPP, as a state-owned company, transparency and free access to information by law is an integral part of the internal regulations. We also try to fulfill them through detailed information willingly published on our website. Another area that strengthens the

transparency of business is the reporting of non-financial information through Sustainability Reports, including complex information about the impact of our business on the environment, relations with employees and suppliers, as well as communities in Slovakia.

These three pillars cannot function properly and efficiently without SPP's employees. Their development and satisfaction at work is a priority. The basic values of the company are reflected in the actions of our employees. In a socially responsible and transparent company, employees feel more content, exhibit greater loyalty, and take pride in their workplace.

Besides the necessary protection of sensitive information and information of contractual partners, especially personal data of our customers, we may state that there is no such thing as too much published information. In today's world of information overload, information must be available as clearly as possible, so that it does not unnecessarily overwhelm the people for whom it is intended. However, all this should not be a reason for limiting the scope of the information made available. Regarding SPP's business, detailed information about how we do business can be found clearly on the SPP website, under the Responsible Business section.