

Code of Ethics
Geoplin d. o. o. Ljubljana

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Introduction

With this Code of Ethics (hereinafter: the Code), Geoplin d. o. o. Ljubljana (hereinafter: Geoplin) defines the ethical principles and rules of behaviour and conduct of management staff and all other employees.

This Code applies to all Geoplin employees, regardless of their job or work area, and to other persons who work on behalf of Geoplin.

It serves employees as a tool in everyday conduct, and helps them avoid situations that could lead to a breach of internal rules or the law, and cause damage to Geoplin or otherwise harm its reputation.

Management Board

Geoplin d. o. o. Ljubljana

I. Mission and values of Geoplin

Mission

Geoplin's mission is to provide the competitive, reliable and flexible supply of natural gas.

Vision

Geoplin strives to maintain its position as the leading seller of natural gas in Slovenia, and will also focus its core activity on neighbouring countries. Geoplin focuses on performing and developing its core activity of natural gas trading, the optimisation of the purchase-sales portfolio and competitiveness, as well as the reliability of supply, the development and marketing of services to support the execution of sales agreements, the development of new markets, market segments and products, the development and marketing of energy services relating to energy efficiency and energy consulting services, and on the search for new opportunities on the local energy market and beyond.

In its operations, Geoplin is guided by the values of reliability and efficiency, while cultivating highly professional business relations. Among its employees, Geoplin promotes professionalism, self-initiative, good interpersonal relationships, flexibility and sensitivity to the natural and social environment. Geoplin's activities and its employees are in harmony with supporting values, such as:

- honesty,
- respect for co-workers and customers,
- respect for the company's resources,
- clear and honest communication within and outside Geoplin,
- diligence,
- a proactive approach,
- innovation,
- integrity and responsibility.

Geoplin follows the guidelines of the ISO 26000 standard for socially responsible companies that respect the declarations and conventions of the United Nations and its founding members, in particular the International Labour Organization.

General ethical principles

Every employee is expected to act in line with Geoplin's values.

Geoplin's employees follow the principle of fairness in their work. The same criteria and standards are applied to co-workers and customers. Geoplin give its employees the freedom of expression, and respects their arguments and opinions.

Geoplin's employees respect their co-workers and customers in their work. Respect is demonstrated through a polite and honest relationship and the respectful acceptance of the initiatives and opinions of others, regardless of their job, age, gender or other differences. Geoplin demonstrates its respect to employees through its fair approach to their contribution to the company's success, remuneration and praise.

Geoplin employees respect the company's material and non-material resources. In this regard, they understand that co-workers' time is one of the company's most important resources. Employees therefore strive for the timely and clear delegation of work tasks. Respect for Geoplin's non-material resources is reflected in the responsible management of co-workers' time.

Geoplin employees strive for clear and honest communication within and outside the company. Characteristic of external and internal communication at Geoplin are clear and simple rules, targeted communication, and the dissemination of important information to everyone who needs it in their work.

Geoplin employees perform their work enthusiastically. In their work they demonstrate self-initiative, are decisive and responsive, make quick but prudent decisions, and perform their tasks and duties consistently.

Geoplin employees are proactive and innovative in their work. Geoplin accepts and respects the search for new solutions and proposals for improvements submitted by employees.

Geoplin employees perform their work responsibly and with a high level of personal integrity. Employees assume responsibilities in line with their job and function, and make prudent, resolute and timely decisions. Employees respect agreements. When making demands of employees, Geoplin takes into account their experience, knowledge and qualifications. Changes are implemented prudently at Geoplin.

II. Responsibility

Responsibility of management bodies to employees and Geoplin

Management is committed to good interpersonal relationships and forms a creative work environment.

Management does not permit or tolerate any type of discrimination, harassment or mobbing in the workplace. Every employee has the right to personal safety in the workplace, and to a professional, safe and healthy work environment.

Promoting the development and education of employees is a permanent task, while the transfer of knowledge to co-workers is the duty of every employee. A high level of professional competence ensures the quality of the services the company offers to its business partners, and thus improves Geoplin's image and ensures its long-term growth.

Geoplin respects the privacy of employees and ensures the protection of their personal data. This is realised through conduct that is in line with internal acts and consistent adherence to the law. Interference in the privacy of employees is only permitted in the urgent cases defined by laws or internal acts.

Geoplin's leadership as an example

Trust is built among employees and the long-term success of Geoplin ensured through the fair and transparent actions of management.

III. Responsibility of employees to Geoplin

Work in accordance with the general interests of Geoplin

In the scope of their powers and responsibilities, management, employees and other persons that work on behalf of Geoplin are obliged to achieve the company's objectives in accordance with the law, other regulations and Geoplin's internal acts. Best practices in individual areas represent the guiding principle in achieving Geoplin's objectives.

Management and employees are obliged to be familiar with the internal acts of Geoplin and to act in accordance with them, taking into account their duties, powers, responsibilities and areas of work.

Employees bear full responsibility for their work. Through additional training and by gaining new knowledge required for their work, they improve their contribution to the success of Geoplin, and contribute to the success of all employees by transferring their knowledge and experience to co-workers. Employees are responsible for their own continuous development, for which Geoplin provides the appropriate conditions.

Avoiding conflicts of interest between the work of Geoplin employees and personal matters or matters relating to their immediate family

Employees may be included in financial, business and other activities or relationships outside of Geoplin. However, their conduct may not lead to a conflict of interest between the personal interests of an employee or third persons and the legal interests of Geoplin.

When working on behalf of Geoplin, employees must avoid circumstances from which conflicts of interest affecting their judgement, objectivity and loyalty to Geoplin arise.

When performing their work tasks, exercising the rights and obligations that derive from their job or position, and when making business decisions or performing any act on behalf of Geoplin, each employee must take into account the best interests of Geoplin before their own interests or the interests of third parties.

Employees are obliged to inform the responsible superior of every existing or potential conflict of interest relating to themselves, another employee or third party working on behalf of Geoplin.

Attitude of employees to and the responsible management of Geoplin's assets

Geoplin's assets are handled rationally and responsibly, and are protected against damage, destruction, disposal, abuse or loss. Assets are used exclusively to achieve the company's business objectives in accordance with the powers of each employee, and never for private purposes, something for which employees are personally responsible.

Prudent use of Geoplin's assets

Employees handle Geoplin's assets as good managers and in accordance with their powers. They strive for the rational use of assets and for the constant improvement of business processes.

In terms of using state-of-the-art information and communication technologies (ICT), employees strive for the maximum efficient use of assets and submit proposals for the improvement of ICT. The property of Geoplin is intended for use for business purposes. Use for personal purposes is limited to permitted urgent cases to the minimum extent possible in accordance with best business practices and culture, and in a way that does not harm Geoplin's reputation.

Protection of trade secrets and other confidential information of Geoplin

Data of a business nature represent an asset and a competitive advantage, and must therefore be treated as a trade secret. Data are confidential when so labelled, but also if they do not have such a label, yet it is clear that substantial damage would be caused if they were disclosed to an unauthorised person. Confidential data relate to all areas of operations (e.g. strategy, business plans, financial data, data on sales and prices, agreements and contracts, business partners, etc.) and are deemed to be such until they become public. Prior to exchanging confidential data with third persons, an agreement must be signed on the protection of confidential data or trade secrets, which governs the obligations of the parties involved.

As a rule, employees do not disclose any data regarding Geoplin's operations to anyone, unless they are expressly authorised to do so. If employees come into contact with commercial data that are not part of their work, such data should be immediately passed on to their superior.

Careful management of information technology ensures unimpeded and secure operations, and requires the contribution of each individual through their responsible handling of information.

Geoplin protects information from unauthorised access through the constant upgrading of its information security policy and by establishing the appropriate security procedures.

IV. Responsibility to customers, buyers, suppliers and partners

When communicating with customers, it is necessary to identify and understand their needs and requirements, and to obtain feedback that facilitates the establishment of a long-term partnership. Notwithstanding the form of communication, the basic principles of business communication and business etiquette must be taken into account.

Geoplin does not make use of inside information to gain benefits on the market.

Employees search for the best solutions for Geoplin's customers.

Geoplin supports transparency and non-discrimination on all energy markets.

Geoplin is responsible for selecting and ensuring the appropriate and professional conduct of its employees and all external service providers in accordance with the provisions of this Code. Persons from various areas and departments who conclude agreements with external services providers are responsible for performing due diligence in terms of the credibility, professionalism, reputation and credit rating of external service providers in accordance with the basic values and principles of this Code. Responsible persons from various areas and departments who conclude agreements with external service providers ensure that the basic principles of this Code are included in such agreements and monitor the implementation thereof.

V. Responsibility to Geoplin's owners

Functioning of Geoplin with the aim of increasing added value for owners

Geoplin's relationship with owners is in line with relevant laws and regulations governing companies and the energy sector, and in line with other regulations and codes of regulatory bodies as they relate to the energy sector and the protection of competition. Geoplin's bodies strive to achieve long-term commercial success, thus ensuring long-term, sustainable and profitable operations for owners, and the long-term stable performance of the company. In addition to the interests of owners, the interests of other stakeholders are also taken into account, as follows:

- customers to whom the company provides the long-term, reliable, high-quality and competitively priced supply of natural gas,
- employees for whom the company provides an appropriate working environment and the opportunity for professional development, and
- the broader environment by ensuring environmentally acceptable supply and responsibility for the natural and social environment.

All business events are documented in accordance with the law, valid accounting standards and internal by-laws. The company informs owners and other interested parties about its operation by established deadlines and in the prescribed manner.

Informing owners about significant business events in Geoplin's operations

Geoplin provides its owners complete, timely, updated, accurate and fair data regarding all aspects of the company's operations that are not a business secret. In this way, it enables owners to be familiar with Geoplin's operations and to be able to make appropriate business decisions. Information is only disseminated to authorised persons.

VI. Geoplin's responsibility to the wider social community

Compliance with the law and the internal acts of Geoplin, in particular with regard to competition protection and trading rules

The following are prohibited: all conduct, decisions, business relationships or transactions performed by any person on behalf of Geoplin in its operations or through operations on the domestic or foreign markets in contravention of Slovenian or EU law, or the laws of another country applicable to the conduct, decision, business relationship or transaction in question.

By adopting the *Programme of Compliance with Competition Rules*, Geoplin will strive to achieve its objectives in such a way that its operations are continuously in line with competition law.

Prohibition of corrupt practices and the unjustified giving and acceptance of gifts

Geoplin does not permit or tolerate any form of corruption.

In addition to offering and accepting bribes, corrupt practices include any other act whose aim is to gain or attempt to gain an advantage or benefit for oneself or a third party through the abuse of powers or position, or through conduct contrary to one's responsibilities.

Geoplin, its management and employees and other parties who work on behalf of the company may not promise, offer or give to or receive from business partners or third parties any unauthorised benefit. The term "benefit" means objects, favours and services that represent a material and non-material benefit. Unauthorised benefits also cover those that are in themselves legitimate, but their intent is to influence the company's or another person's business decisions.

Occasional business gifts given to business partners by the company must be selected and delivered in such a way that the gifts cannot be interpreted as an unauthorised benefit.

Employees must refuse benefits and business gifts offered by business partners that may be deemed unauthorised.

In no case should the receipt of an occasional gift as an expression of attention or hospitality affect the company's business decisions. Employees are obliged to report every gift or expression of hospitality received to their superiors.

Proper relationship with officials

Geoplin cooperates with the competent supervisory bodies and institutions in supervisory procedures involving Geoplin or other parties to the extent prescribed by regulations laying down the protection of confidentiality and the scope of powers and competences of supervisory bodies and officials.

Respect for human rights in hiring and relations with employees

Geoplin and its employees strive for good interpersonal relationships, constructive cooperation and mutual respect in the workplace.

When defining their rights, obligations and positions, employees must be treated in accordance with the principles of equality, proportionality and fairness, based on individual traits and criteria.

Through their conduct in the workplace, employees strive not to evoke unpleasant feelings among co-workers. They may not permit discrimination on any basis or communication which results in conflict or mobbing among other employees. Inappropriate conduct by individuals in their work environment must be reported to superiors immediately.

Employees are obliged to respect the privacy of every individual. Personal data may only be forwarded to expert departments or third parties on the basis of a written request and only for purposes substantiated by internal acts or the law.

Environmental protection and social responsibility

The company strives to protect the environment when performing its activities.

The company gives donations and concludes sponsorship agreements exclusively in accordance with its mission, vision and values, and primarily in the areas of sport and culture.

The company does not provide any financial or other assistance to the activities of political parties and their individual members via donations and sponsorships.

Assistance to local communities and Geoplin's humanitarian activities

The company always provides assistance in the event of natural disasters, through funds to support affected families or local communities. On occasion, the company also earmarks funds for humanitarian organisations.

VI. Geoplin's responsibility to the media

Proper relationship with the media

Geoplin adopts a *Communication Plan* every year, which serves as the basis for planned, proactive and professional communication with the media and interested parties. Media relations are the responsibility of the President of the Management Board, members of the Management Board and other persons authorised for that purpose by the President to the Management Board.

Informing the public about significant business events in Geoplin's operations

In accordance with its adopted Communication Plan, Geoplin informs interested parties about its activities, and thus briefs all parties, not just natural gas customers, about current events involving the company. In this way, the company gains the public's trust and demonstrates its social responsibility.

Implementation of the Code

❖ Communication – specific measures for sharing the content of the Code

Management organised a workshop on the content of the Code of Ethics for all employees, who through open discussions contributed to the formulation of that content. The works council was also briefed on the code.

The Code of Ethics is published in a typical manner and is accessible to all employees on the intranet and to interested parties on Geoplin's website.

Geoplin's Supervisory Board was also briefed on the Code of Ethics.

❖ Internal measures – the four eyes principle, risk management, the reporting of breaches, and education and training

❖ To avoid unlawful and unethical conduct by Geoplin or individuals, any matter in contravention of this Code of Ethics must be reported to the company's competent bodies.

Reporting of breaches: - in legal matters: Head of the Legal and General Affairs Department

- in labour relation matters: the works council
- in the areas of management and decision making: management or the Supervisory Board

❖ Controls and sanctions – verification of credibility, internal audits and sanctions

Management provides protection for persons filing reports from any pressures they could experience as a result of their ethical action in reporting.

Reports are also verified by Geoplin's internal controls function, which forwards matters to management or the Supervisory Board for decision making. A responsible superior is not included in the discussion of the breaches of the Code referred to in the previous paragraph of this article, if he or she is in any way linked to an alleged breach.

Breaches of the provisions of this Code that are also breaches of valid legislation and Geoplin's internal acts represent breaches of work obligations, and could lead to disciplinary action, liability for damages, criminal liability or other liability in accordance with valid regulations and the company's internal acts.

Explanation

The Code of Ethics defines the values of Geoplin, and standards of behaviour and conduct. It serves as a guide for members of management bodies and other employees in their daily work at the company.

The attitude of employees to Geoplin is crucial to the company's operations. Only employees who are loyal to the company and feel an affiliation with Geoplin and a responsibility for its assets and property can contribute added value to Geoplin's operations. This is expected of every employee. Employees are also expected to demonstrate the same care in their work as they do in their own personal affairs. Employees must avoid conflicts of interest. These include the ownership of shares or participating interests in competitive companies (except in negligibly small amounts), transactions with other companies at which family members are employees, the performance of work for others, in particular competitive companies and other personal matters that could affect management or work at the company. Also of importance is the attitude of employees to Geoplin's assets. To that end, the responsible handling of property and assets in everyday work, limits on or the prohibition of the use of Geoplin's assets for personal use, etc. must be stressed. Although the protection of trade secrets is governed by the law, the company assesses that this subject must also be addressed in the Code of Ethics due to its importance.

Geoplin's relationship with owners (shareholders) is likewise exceptionally important for the company's operations. This is particularly true for Geoplin's management and supervisory bodies, whose members must be aware that their mission is to increase the value of equity invested in the company by its owners. The responsible conduct of members of management and supervisory bodies and all employees involved in Geoplin's operations is a precondition for generating expected added value. In this context, it is extremely important that the company keeps its owners informed not only about current operations, but also about long-term objectives for generating profit and increasing the value of equity as owners expect.

Geoplin's objectives must not be merely economic. Social responsibility must be a guiding principle of every company. Social responsibility includes more than just responsibility to the environment; it also includes responsibility to the wider social community, respect for human rights and, maybe most important, consistent compliance with the law. The prohibition of corrupt practices and the unjustified giving and receiving of gifts that could affect the company's business decisions are elements of the broader responsibility of Geoplin, its management bodies and all employees. The company must keep records of gifts given and received, and establish a system to handle cases when dilemmas arise.

Respect for human rights in Geoplin's operations represents an element of social responsibility that is increasingly important today. The prohibition of discrimination based on gender, race, age and other factors and strict rules regarding sexual harassment and mobbing in the workplace represent part of the high standard of employee conduct at every company. It is therefore not enough that such prohibitions are governed by the law; the company must internalise such prohibitions in its internal acts, and mostly importantly implement them in practice. Responsibility to the natural environment is one of the most important factors in the operations of companies with state capital investments, even more so taking into account the fact that these include large companies that manage the infrastructure and could have a significant impact on and harm the environment. To that end, the recommendation that Geoplin employees work closely with other entities (in particular with civil society) in terms of their responsibility to the environment is right on the mark. Last but not least, cooperation with local communities and Geoplin's humanitarian activities as a part of social responsibility are reflected in the company involvement in the local community and in its contribution to activities and efforts to improve the quality of life in the local environment.

Geoplin's relationship with the general public and media should also be noted. The public's right to notification, which is exercised primarily through access to important information received and published by the media, is one of the basic rights that coincide with the principle of transparency, which in turn is one of the core principles of corporate governance. In addition to owners and regulatory bodies, all interested parties must be briefed on significant matters relating to Geoplin's operations and development.

Explanations and definitions of specific terms used in the Code of Ethics

Discrimination is any act by which a person is not treated equally, is forced to bear an unequal burden or foregoes a justified benefit. Discrimination is typically based on personal prejudices or stereotypes associated with race, religion, nationality, ethnicity, political, social, geographical, family or other affiliation, and on gender, age, physical or any other personal trait or state.

Harassment is hateful or unpleasant comments or other forms of communication, or unwanted behaviour associated with any personal circumstance, with the effect or intent of insulting the dignity of a person or creating an intimidating, hateful, degrading, humiliating or insulting work environment.

Mobbing is carried out by those who humiliate, intimidate or raise the anxiety level of another employee in the workplace through sexual harassment, psychological abuse, bullying or unfair treatment. Mobbing is seen in the workplace as conflicts in communication between co-workers or between a subordinate and a superior, where the person under attack is exposed to systematic and repeated attacks by one or more persons with the intent or consequence of exclusion from the work environment or system, and he or she perceives these attacks as discriminatory.

Personal data are deemed to be any data relating to an individual, regardless of the form in which it is expressed. Personal data may only be monitored if so provided by law or with the personal consent of an individual. Access to personal data is permitted only to those employees that require such data to carry out the work process, and to those bodies authorised by the law.

Circumstances from which **conflicts of interest** could arise include:

- the personal financial interest of an employee or related person, when an employee works on behalf of Geoplin,
- the execution of transactions with related persons, in particular family members or related legal entities,
- an employee's activity, with regard to which the definitions, rights and obligations from competition clauses and prohibitions set out in an employment contract or statement by the employee and in valid legislation must be observed, and
- the acceptance of gifts or similar benefits that exceed the normal expression of attention with respect to best business practices.

Geoplin's **assets** are truthfully and fairly recorded in accounting documents, which serve as a basis for correct business decisions and for the fulfilment of financial and legal obligations, and for notifying all interested parties. Any forgery, destruction, concealment or disposal of such documents may result in criminal penalties both for individuals and the company.

A **donation** is a unilateral legal transaction, constituting gifts from Geoplin's commercial assets.

A **sponsorship agreement** is a bilateral legal transaction, where in exchange for the commitment of sponsorship funds the company gains some benefit (typically advertising) on which a material value can be placed.