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DTEK COMPLIANCE PROGRAMME 2024-2026

DTEK Energy
in action



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BACKGROUND

We present for your attention DTEK Group's Compliance Programme (the "**Programme**") in accordance with the applicable laws and following international standards and recommendations:

- ISO 37301 Compliance management systems (worldwide scope);
- ISO 37001 Anti-bribery management systems (worldwide scope);
- Basel Committee's Revisions to the principles for the sound management of operational risk (EU/UK/ Switzerland/U.S./Canada);
- Guidance of the Serious Fraud Office on Evaluating a Compliance Programme (UK);
- Evaluation of Corporate Compliance Programs 2023 (U.S.);
- Framework for OFAC Compliance Commitments (U.S.).

The Programme covers the projects and tasks started in 2024, as well as outlines planned activities and strategic goals for developing compliance function for 2025 – 2026.

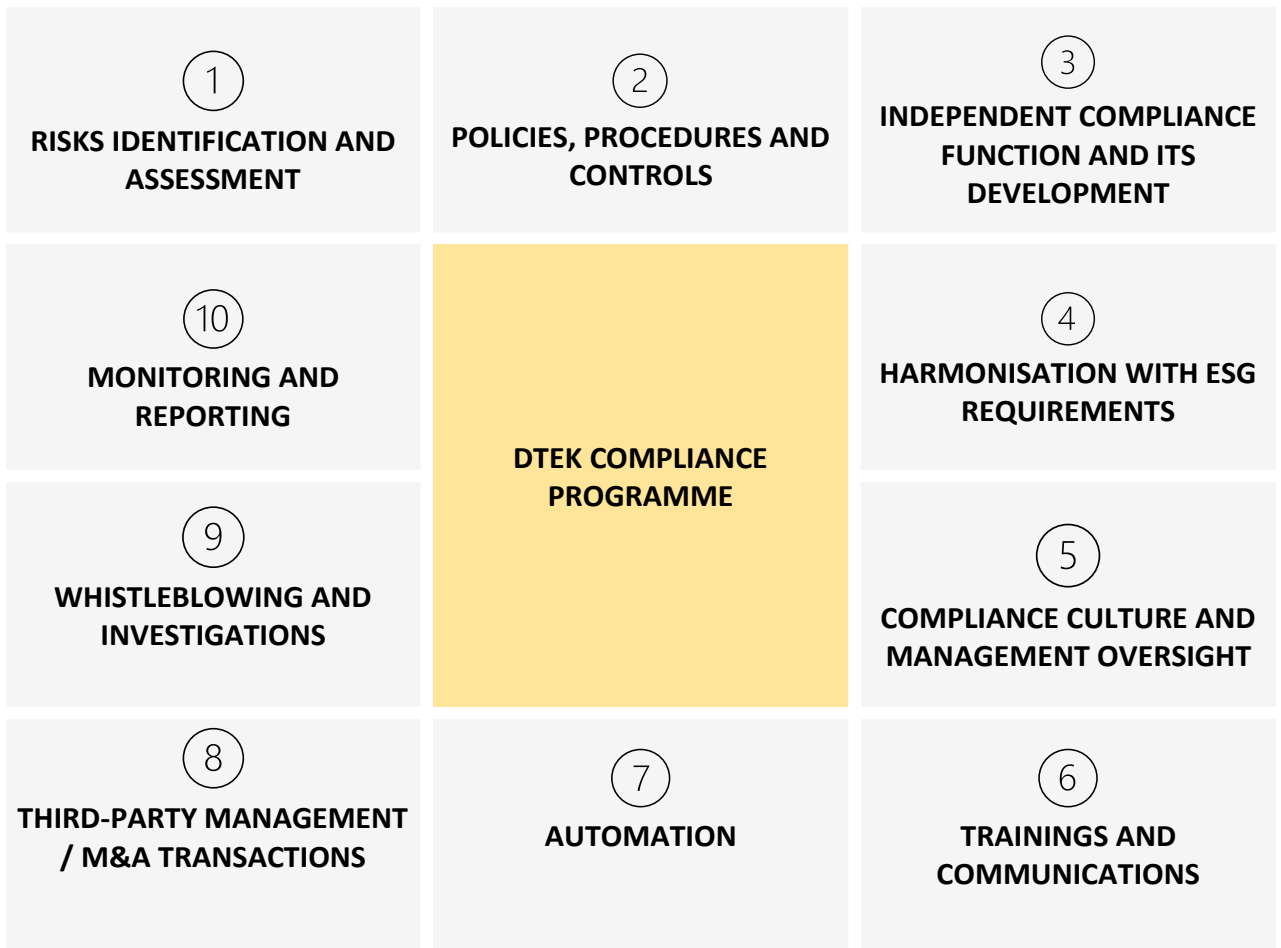
The Programme is a group-wide strategic document, which is aimed at:

- **helping DTEK Group to achieve its strategic business goals** of diversifying current geographical exposure and growing internationally;
- **supporting Businesses in achieving their strategic goals** and facilitating access to international investors, business partners and capital markets as outlined by their respective strategies;
- **providing senior management, Supervisory Board with information on strategic vectors** of the development of the compliance function that would allow to monitor and control further progress;
- increasing awareness of DTEK Group's investors, business partners and other stakeholders on the elements of compliance management system at DTEK Group.

Separate Compliance Programmes will be developed for each of Businesses in line with their strategies, and adjusted to reflect geographical markets where the Businesses operate, profiles of their potential investors, sources for financing etc.

KEY PILLARS OF DTEK GROUP COMPLIANCE PROGRAMME

The Programme encompasses the following key pillars in accordance with the Evaluation of Corporate Compliance Programs 2023, developed by US Department of Justice:



Each of the above elements is further considered in detail in the following subsections of this Programme.

① RISK IDENTIFICATION AND ASSESSMENT

Compliance conducts regular corruption risk assessments to build a holistic approach to corruption management system and prevent corruption risk within DTEK Group effectively and proportionately.

In particular, Compliance regularly assesses corruption risk of the new and existing business partners, risks associated with business gifts and hospitality, corruption risk arising in the M&A transactions and upon hiring of new employees and engaging Supervisory Board members.

To bring the corruption risk assessment at DTEK Group to a new level and boost anti-corruption culture, in 2024 Compliance launched the corruption risks assessment of the business processes.

The assessment will be implemented in cooperation with Ernst & Young to ensure the risk assessment methodology complies with international standards and best practices.

The corruption risks assessment of the business processes will lead to:

- proactive mitigation of corruption risk
- increasing of employees' awareness about corruption risk and consequences of its realization
- boosting anti-corruption culture within DTEK Group
- enhancement of compliance controls

KEY TASKS	DEADLINE
<p>a. Identify the business processes potentially exposed to corruption risk;</p> <p>b. Develop the business processes risk assessment model (taking into account the requirements of the UK, NL and Ukrainian law);</p> <p>c. Assess the business processes exposed to corruption risk using the risk assessment model;</p> <p>d. Develop the corruption risk mitigation measures for the business processes to which medium and high-risk levels were assigned.</p>	ongoing

② POLICIES, PROCEDURES AND CONTROLS

DTEK Group adopts written policies and procedures that set out the rules and guidelines in the area of compliance and ensures reporting and maintaining records to comply with applicable legislation.

DTEK Group ensures its policies and procedures:

- are aligned with DTEK Group’s values, objectives and strategy;
- outline the consequences of not complying with obligations set out in policies and procedures;
- are written in plain language so that all personnel can easily understand the principles and intent described therein;
- are appropriately implemented and enforced within DTEK Group and available as documented information;
- are communicated within DTEK Group;
- are available to interested parties, if appropriate.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Policies for DTEK Group	a. DTEK Ethics and Business Conduct Code (initially approved in 2018, as amended in May 2024 to reflect requirements of GDPR and REMIT);	2024
	b. DTEK Anti-Corruption Programme (initially approved in 2018, to be amended to reflect new legal requirements and internal regulations);	
	c. Corruption and Sanctions Risk Management Regulation (initially approved in May 2024);	
	d. Develop a compliance section on DTEK’s website to include the policies, relevant statements, description of the compliance management system and compliance news.	

③ INDEPENDENT COMPLIANCE FUNCTION AND ITS DEVELOPMENT

INDEPENDENCE OF COMPLIANCE FUNCTION

DTEK ensures that:

- Compliance effectively fulfils its obligations as a second line of defence and oversees the controls established for the business process owners (first line of defence) as prescribed by Basel Committee's Guidance;
- Compliance is given access to:
 - senior decision-makers and the opportunity to contribute early to the decision-making processes;
 - all levels of the organisation;
 - all personnel, documented information and data needed;
 - expert advice on relevant laws, regulations, codes and organisational standards;
- Compliance has sufficient seniority level within DTEK Group and resources to effectively undertake the requisite monitoring, documentation, and analysis;
- Compliance regularly reports to the Audit Committee;
- Compliance Officer reports to the Management Board.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Ensuring the Compliance is sufficiently staffed to perform strategic functions for DTEK Group	a. Compliance team is sufficiently staffed in such a way that each Business to be assisted by a Compliance professional;	ongoing
	b. Develop and deliver induction courses and training to the new Compliance team members;	
Reporting to the Audit Committee	Semi-annual and annual reports of the Compliance to the Audit Committee;	
Ensuring continuous education	Regular trainings, education and certification of the Compliance team shall be arranged to secure their up-to-date high qualification in the compliance area.	

③ INDEPENDENT COMPLIANCE FUNCTION AND ITS DEVELOPMENT

DEVELOPMENT OF COMPLIANCE FUNCTION

Repositioning of DTEK Group as a trendsetter in compliance area

- In 2023 DTEK Group joined the World Economic Forum’s Partnering Against Corruption Initiative (PACI) to smash corruption in all its forms.
- In becoming a member of the world’s principal CEO-led anti-corruption platform, DTEK Group united with some of the world’s largest and most prestigious companies in a range of initiatives to prevent and combat bribery and corruption.
- In 2024 – 2026 DTEK Group aims to transform itself into a company not only following international standards and best anti-corruption practices, but setting such standards by way of:
 - collaboration with international organisations / initiatives, organizing workshops, round tables and participating in collective actions, specifically focusing on anti-corruption, to assist with reducing concerns of potential business partners about Ukraine as a jurisdiction with the high level of corruption;
 - developing best practices and guidelines in cooperation with the above initiatives.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Cooperation with international organisations	<ul style="list-style-type: none"> a. Develop cooperation with top organizations in the area of anti-corruption compliance (Basel Institute of Governance, PACI, UN Global Compact); b. Establish cooperation with Transparency International, AmCham (NL), OECD, and/or other anti-corruption initiatives and organizations (focusing primarily on energy sector); 	2024 – 2026
	<ul style="list-style-type: none"> c. in cooperation with international initiatives: <ul style="list-style-type: none"> ▪ arrange workshops and roundtables on countering corruption; ▪ initiate collective actions against corruption and promotion of anti-corruption efforts in energy sector; ▪ participate in international conferences to promote DTEK’s values and initiatives (e.g. PACI Dialog Series Sessions, the Annual Good Governance Community Meeting etc.); ▪ organise practical seminars on combating corruption for private companies. 	

④ HARMONISATION WITH ESG REQUIREMENTS

Starting from 2025, DTEK Group will fall into the scope of reporting under **requirements of the EU Corporate Sustainability Reporting Directive (CSRD)**, a new climate-related legislative act adopted by the European Union that updates the EU sustainability-related reporting framework and establishes reporting requirements on certain compliance matters.

To be in line with CSRD requirements, Compliance is planning to perform the tasks below.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Harmonisation with the CSRD requirements	<p>a. Develop the roadmap of compliance initiatives aimed at bringing DTEK Group’s anti-corruption compliance system in line with ESG requirements / climate change trends;</p> <p>b. Analyse DTEK Group’s regulatory and strategic documents for their compliance with ESG requirements / climate change trends, develop recommendations on changes to be made to meet CSRD requirements;</p>	2024
	<p>c. Ensure that the system of tracking incidents submitted via Trust Line is organised in line with CSRD requirements and proper tracking of specific incidents is conducted;</p> <p>d. Ensure that the tracking system related to compliance training properly reflects the number of employees trained on anti-corruption / anti-bribery issues;</p> <p>e. Ensure proper compliance-related CSRD reporting.</p>	ongoing

⑤ COMPLIANCE CULTURE AND MANAGEMENT OVERSIGHT

- DTEK Group develops compliance culture at all levels of management and organizational structure
- Senior management and the Supervisory Board have sufficient understanding of the importance of tone from the top to support compliance culture within DTEK Group
- Senior management regularly conducts communications with employees on compliance topics and through their words and actions, encourage compliance and discourage misconduct and model proper behaviour to subordinates.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
<p>Promoting compliance culture within DTEK and enhancing visibility of compliance function</p>	<p>a. For senior management and the Supervisory Board: regularly conduct compliance trainings about the importance of tone from the top and performance of the Compliance Programme;</p> <p>b. For employees:</p> <ul style="list-style-type: none"> • regularly conduct communications about the importance of proper ethical behavior and preventing corruption with the engagement of senior management as the tone at the top; • arrange Compliance days, Anti-Corruption days etc.; • organize activities aimed at increasing awareness of employees about compliance function, as well as improving the compliance culture in DTEK Group; • development of trainings (online / offline) with the participation of senior management on anti-corruption and ethical behavior topics; ▪ development of education materials, quizzes, tests etc.; ▪ distribution of compliance booklets; ▪ circulating emails and articles to the employees on compliance topics; ▪ development and demonstration of the cartoon about DTEK Group Compliance 	<p>ongoing</p>

⑥ TRAININGS AND COMMUNICATIONS

DTEK Group ensures that trainings*:

- educate the employees on why we need the Compliance and how it helps the Business;
- explain not only the relevant compliance laws and regulations but also cover DTEK Group’s policies and procedures used to mitigate compliance risks;
- provide practical advice or case studies to address real-life scenarios and guidance on how to obtain advice on a case-by-case basis;
- are conducted periodically;
- are delivered in a manner tailored to the audience’s size, sophistication, or subject matter expertise.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Training Programme	Develop a Compliance Training Programme for employees for 2025-2026	2024
Trainings to employees	<p>a. Update the mandatory online compliance training courses (‘All you need to know about compliance’, ‘Prevention of corruption at DTEK Group’, and ‘Anti-corruption’) to reflect new regulatory documents and recent legal changes;</p> <p>b. Adjust the training “Anti-Corruption” developed by UN Global Compact for DTEK Group’s EU and UK employees and organise its publication on DTEK Group’s external web-site;</p> <p>c. Record series of videos for employees to cover major compliance topics;</p> <p>d. In cooperation with Academy DTEK, develop open training on anti-corruption and managing compliance risks.</p>	2024-2025
Targeted trainings	<p>a. In accordance with the Training Programme, deliver trainings for counterparty-facing and high-risk staff (1st line of defence) and operations personnel (e.g. trade finance, treasury management personnel)</p> <p>b. Develop KPIs and dashboards for the coverage of trainings for the employees performing high-risk functions, Management and Supervisory Boards’ members and other categories of employees.</p>	ongoing

**Trainings include both formal training courses and ongoing communications that serve to educate employees and maintain their ongoing awareness about compliance requirements, such as emails, newsletters, periodic team meetings, intranet sites, and other means of sharing information. Compliance regularly collects feedback to ensure continuous improvements of the trainings.*

⑦ AUTOMATION

One of DTEK Group's main priorities is the development of automated systems and optimization of processes that allow to:

- comply with regulatory requirements regarding personal data (GDPR) and information security requirements;
- ensure the transparency of internal processes to increase the trust of investors and donors in line with Business strategy;
- increase visibility of compliance function and promote compliance culture within employees;
- perform operational tasks in a faster and more efficient manner;
- reduce the risks of human error in decision-making; and
- continuously improve the mechanisms that are used in the company's day-to-day operations.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Automated compliance systems	a. Develop and implement automated systems for the assessment of conflict of interest: <ul style="list-style-type: none"> ▪ for the assessment of new and relocated employees (the system shall allow to reduce the time for processing each case by at least 50%); ▪ for Periodic Disclosure of Conflict of Interest for the employees and Supervisory Board members; 	2024
	b. Develop and implement an automated system for declaring gifts and business hospitality	
	c. Develop, approve and implement the long-term strategy for the automation of compliance function;	2024-2026
Automated system for approving contracts	a. Ensure mandatory involvement of the Compliance in the approval of the high-risk agreements; b. Develop and implement compliance controls to automatically identify the absence or any amendments to DTEK Group's standard Sanctions and Anti-Corruption Clause and notify the Compliance accordingly.	2025

8 THIRD-PARTY MANAGEMENT / M&A TRANSACTIONS

DTEK Group conducts:

- risk-based due diligence on its third-party relationships to assess the corruption and sanctions risk levels of the business partners, including agents and consultants;
- review of agreements having a high level of corruption risk, as well as agreements for the purposes of including standard anti-sanctions and anti-corruption clauses;
- review and approval of certain gifts and hospitalities;
- daily sanctions screening of the existing business partners;
- when considering M&A transactions, a thorough review of the target company's sanctions and corruption risk and its compliance or non-compliance with applicable sanctions regimes and anti-bribery and corruption laws;

In 2022 Compliance developed and adopted the Methodology on Managing Sanctions and Corruption Risks in Cross-Border M&A Transactions and in 2023 designed compliance control for investment procedure.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Corruption and Sanctions risks appetite (<i>initially adopted in 2018</i>)	Update and ensure adoption of the new version of the risk appetite to reflect new regulatory requirements	2025
Standard sanctions and anti-corruption clause (<i>initially approved in 2018</i>)	Update and ensure adoption of the new version of DTEK Group Standard sanctions and anti-corruption clause based on the legislative changes	
Sanctions and corruption risks matrixes	Update and ensure adoption of the new version of sanctions and corruption risks assessment matrixes in accordance with amendments to the laws, international standards and best practices	
M&A compliance questionnaires	Review and update the existing M&A due diligence questionnaires to ensure relevance of requested information and documents in line with internal DTEK Group investment processes	
M&A anti-corruption clause	Develop the anti-corruption clause to be used in M&A transactions, specifically addressing the sellers' warranties and representations related to the anti-bribery and sanctions compliance	
Sanctions risk assessment	Conduct sanctions risks assessment of the business processes potentially exposed to sanctions risk due to sectors of business involved, geographical location and operations.	2026

9 WHISTLEBLOWING AND INVESTIGATIONS

DTEK ensures that:

- all DTEK employees can report or seek guidance regarding potential or actual misconduct without fear of retaliation;
- the Trust Line operated by a third-party provider may be used by employees throughout jurisdictions where DTEK Group operates in line with GDPR requirements;
- information on Trust Line is available on DTEK Group’s corporate portal;
- the Trust Line is fully operational and available for all employees.

The contact details of the Trust Line are listed below:

Contact details for Ukrainian employees	Contact details for the employees outside Ukraine
0800-60-0777; +380-44-224-7232	+357 97 974 407
https://www.scm.com.cy/uk/trustline	https://www.scm.com.cy/trustline
trustline@scm.com.ua	trust_line@trustlinescm.org

TASK	DETAILED DESCRIPTION	DEADLINE
Trust Line	a. Compliance participates in the Trust Line investigations where the reported issues relate to unethical behaviour (harassment), corruption, conflict of interest	ongoing
	b. Compliance prevents retaliation in any forms and ensure protection of the whistleblower from retaliation	
	c. Advise on the regulatory documents related to the implementing the Trust Line at DTEK Group	

⑩ MONITORING AND REPORTING

DTEK Group monitors the implementation of its Compliance Programme to ensure compliance objectives are achieved by way of:

- monitoring conducted at planned intervals to comply with the requirements of the international standards (ISO 37001, ISO 37301), provide information on whether the business processes within DTEK Group conform to Compliance Programme, and ensure effective implementation and maintenance of the Compliance Programme;
- monitoring of fulfilment of the mandatory compliance recommendations;
- regular review of the Compliance Programme to ensure its continuing suitability, adequacy and effectiveness.

KEY TASKS	DETAILED DESCRIPTION	DEADLINE
Compliance reporting	Provide the Audit Committee with regular compliance reports on implementation of the Compliance Programme, fulfilment of compliance recommendations and controls;	ongoing
Monitoring	Conduct monitoring of the business processes within DTEK Group to assess the efficiency of the compliance controls and fulfilment of the mandatory compliance recommendations;	
Record-keeping	Retain accurate, up-to-date records of DTEK Group's compliance activities to assist in the monitoring and review process and demonstrate conformity with the Compliance Programme.	

TERMS AND DEFINITIONS

- **DTEK GROUP B.V.** – a private company with limited liability incorporated under the laws of the Netherlands and registered with the trade register of the Chamber of Commerce under number: 59950293;
- **DTEK Group or DTEK** – DTEK GROUP B.V. and all its subsidiaries;
- **Business** - each of the holdings **DTEK ENERGY B.V., D. TRADING B.V., D. SOLUTIONS B.V., DTEK GRIDS B.V., DTEK RENEWABLES B.V., DTEK RENEWABLES INTERNATIONALB.V., DTEK OIL&GAS B.V.**, and legal entities directly or indirectly owned or controlled by the above holdings and / or by DTEK GROUP B.V.;
- **Supervisory Board** – for the purposes of this Programme, the Supervisory Board of DTEK GROUP and each of the Businesses (as applicable);
- **Management Board** – for the purposes of this Programme, the Management Board of DTEK GROUP and each of the Businesses (as applicable);
- **Audit Committee** – for the purposes of this Programme, the Audit Committee of DTEK GROUP and each of the Businesses (as applicable).

CONTACT DETAILS

FOR ANY QUERIES
PLEASE CONTACT:

DTEK Compliance –
compliance-office@dtek.com

