



Code of Conduct

of VNG Handel & Vertrieb GmbH



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1. FOREWORD FROM THE MANAGEMENT TEAM

Dear colleagues,

Conducting business responsibly and lawfully is fundamental to the success of our company. Infringements of the law damage the reputation that we work hard to build every day in our business partnerships and in the public eye.

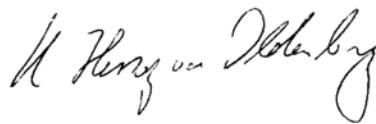
The vision we share is to be the preferred German partner in the energy and services business. The values of VNG Handel & Vertrieb GmbH – partnership, openness, responsibility and entrepreneurship – guide us in all our decisions and actions. Along with laws and internal regulations, they form the basis for this Code of Conduct.

Our values are only meaningful if we put them into practice with our actions. This requires each and every one of us to behave in a lawful and responsible manner, with no exceptions. Please take the time to read this Code of Conduct and refer to it often. It should help you to identify legal risks and avoid infringements. The principles it contains constitute the binding standard for the behaviour of all employees. It is important – both for you as a person and for the success of the company as a whole – that you follow this Code of Conduct.

Your VNG Handel & Vertrieb GmbH management team



Stephan Haupt
Managing Director



Konstantin von Oldenburg
Managing Director



2. INTRODUCTION

Putting our values into practice – about the Code of Conduct

1. Our values and Code of Conduct

The Code of Conduct is based on the mission statement of VNG AG (VNG), i. e. the fundamental principles to which VNG Handel & Vertrieb GmbH (VNG H&V) as a group company is committed. The standards laid down in our Code of Conduct essentially help to determine the way in which we shape our business partnerships and frame our relationships with shareholders, employees and society. Accordingly, the Code of Conduct is designed to reflect the expectations of our key stakeholders.

2. To whom does the Code of Conduct apply?

The answer is simple: to everyone. This means the management team, all employees and all managers of VNG H&V.

3. Does the Code of Conduct define all the standards I need to know about?

The Code of Conduct provides concrete guidance on important laws and company policies, and summarises them in a practical guide. However, it cannot describe every possible situation you could face. Specific rules may also apply to particular roles or at individual locations. If local regulations deviate from the Code of Conduct, always observe whichever provision is the most stringent in each case. If you are unsure, contact your superiors or compliance management team.

PARTNERSHIP – OPENNESS – RESPONSIBILITY – ENTREPRENEURSHIP

General principles – about responsibility

1. What we expect from employees: lawful behaviour

You are expected to observe laws and regulations at all times, in every aspect of your activities on behalf of VNG companies. This includes compliance with generally applicable laws and regulatory requirements as well as our own internal regulations. Infringements may result in fines or even imprisonment and cause serious damage to the company. For this reason, they will not be tolerated, and will result in disciplinary measures.

2. What we expect from managers: leading by example

As a manager, you must set a good example.

- ▶ Hold yourself to the highest standards of behaviour and instil them in your employees.
- ▶ Ensure that all your team members understand and follow the Code of Conduct.
- ▶ Create an atmosphere of open, honest communication where no one is afraid to ask questions about misconduct, conflicts of interest or complex business decisions.
- ▶ Be proactive in understanding the risks associated with the work your colleagues do and provide assistance when needed.
- ▶ Seek advice from your compliance management team if in doubt and support its activities.

3. Asking questions and reporting concerns

Infringements can almost always be avoided by seeking advice at an early stage. If you have any questions or want to report a (possible) infringement of the Code of Conduct, your direct superiors should normally be your first point of contact. You can also seek advice from the relevant specialist department (Legal, Human Resources, Tax etc.). In addition, you can report a (possible) regulatory infringement in the following ways:

- ▶ By contacting your **local compliance management team** or
- ▶ the **central VNG Compliance department** on Tel. +49 341 443-5933 or
- ▶ by **e-mail to compliancebeauftragter@vng.de** or
- ▶ if necessary, you can also make an **anonymous report via the online form** provided by the VNG Compliance department at <https://vngag.sharepoint.com/sites/compliance> (Quicklink: "Report infringement")

The identity of the person reporting the infringement will be kept confidential if desired.

A complete list of contacts and reporting channels can be found on the intranet in the **VNG Compliance department section**.

4. Quick compliance test for good decision-making

First ask, then act:

- ▶ Is my action or decision in the company's best interest?
- ▶ Is it in line with the company's values and my own values?
- ▶ Is it legal and in line with our Code of Conduct?
- ▶ Would I have a clear conscience if my behaviour became public knowledge?

What does this mean for you?

- ▶ Familiarise yourself with the Code of Conduct and the regulations that are relevant to your area of activity.
- ▶ Observe these regulations at all times.
- ▶ Ask questions whenever you are unsure.

Example scenarios

My superior recently told me that I was violating an internal policy. I wasn't aware I'd done anything wrong. Can I be held responsible even though I didn't know the rule?

- ▶ You are expected to read, understand and follow the company regulations that are relevant to your area of activity. You can also be held personally responsible for infringements. If something in a policy seems unclear or difficult to implement, you should seek advice from your superiors or compliance management team.

I suspect an employee is doing something that infringes a policy but I'm hesitant to talk to my superior about it because they are friends with the employee. I'm also afraid of being seen as a "snitch". What should I do?

- ▶ If you are aware of a policy infringement, you have a duty to mention it. In some cases, it may be more appropriate to discuss the matter with someone other than your superior. For this reason, there are a number of communication channels you can use (see "Asking questions and reporting concerns" section). As your report is based on genuine grounds for concern, you do not need to worry.

I have a concern that's not covered by the Code of Conduct. Does this mean my concern is unfounded?

- ▶ No. The Code of Conduct cannot cover every possible situation or ethical problem. However, the principles, values and other guidelines it contains, such as the quick test, can help you come to the right decision. If you require further assistance, get in touch with one of the contacts listed in the "Asking questions and reporting concerns" section.

We are having certain work carried out by a contractor. I know some of their employees and they have alerted me to the fact that the contractor might not be carrying out the work in accordance with the regulatory requirements. Is this any of my business?

- ▶ Yes. Your company could even be held liable for the conduct of the contractor or might suffer damage (e.g. to its reputation). You should discuss the matter with your superiors or contact your compliance management team.

I have a management role. If I identify misconduct in an area that falls outside my responsibility, should I report it?

- ▶ Yes. Like all company employees, managers must speak up if they are concerned about work-related conduct that may constitute an infringement of a law or internal regulation. All employees, including managers, should discuss matters about which they have concerns with their superiors or compliance management team.



Further information and details of the compliance management system of VNG Handel & Vertrieb GmbH can be found on the intranet and in the VNG Group's compliance policy.

3. CORRECT BEHAVIOUR WHEN DEALING WITH BUSINESS PARTNERS

Fair competition

We believe in fair competition. We strictly oppose measures that unlawfully restrict competition (such as price fixing). The success of our company is built on our performance, the quality of our products and services, and our competitiveness. It depends on fair competition. Therefore, we pursue our corporate goals in strict compliance with the competition rules that apply to the market, particularly cartel and competition law.

1. Dealing with competitors – no agreements that restrict competition – no illegal sharing of information

We do not enter into any agreements or concerted practices with competitors that have the purpose or effect of hindering or restricting competition. This includes, for example, agreements on

- ▶ prices, offers, conditions of purchase or sale and
- ▶ the allocation of customers, territories or markets.

Even informal conversations or “gentlemen’s agreements” are deemed to be concerted practices if they lead to a restriction of competition. In addition, no information on current or future prices, margins, costs, market shares, internal key figures, terms of sale, marketing strategies or specific customer/purchaser information may be passed on to competitors or received from them.

When working in trade associations or at trade fairs, conferences or other industry events, ensure that these legitimate opportunities for meeting and discussion are not used to share confidential market and company information in order to influence market activity.

2. Dealing with customers – no agreements that restrict competition – no misuse of market position

Agreements between suppliers and customers may also be prohibited under cartel law. These include restrictions on the freedom of customers to set prices or delivery terms for their business relationships (territory restrictions, restrictions on clientele or product usage), certain most-favoured-customer clauses, exclusivity clauses such as total demand coverage and non-competition clauses.

In many cases, the admissibility of the agreement depends on its duration and intensity as well as the market position of the parties involved and therefore requires prior legal examination. In markets in which VNG companies could be considered dominant, special regulations apply (e.g. different treatment of customers without objective justification [due to size, costs etc.] is then prohibited).

What does this mean for you?

- ▶ Acquire a basic knowledge of what the competition regulations mean for you.
- ▶ Be particularly vigilant when in contact with competitors, customers or suppliers.
- ▶ Never make agreements with competitors or share information in order to set prices, discounts etc. or allocate markets, customers or sales territories.
- ▶ Ask your legal department if you are unclear about the legality of a situation, particularly when it comes to contracts with competitors and exclusivity agreements with customers.

Example scenarios

At a trade association meeting, I was present during a conversation between two of our competitors. One of the representatives said: "I don't know about you but our margins aren't what they used to be." The other said: "If only there was something we could do to combat all these massive price reductions." I didn't say anything at the time but in subsequent weeks, both of these other companies raised their prices. Should I have behaved differently?

- ▶ Yes. The authorities could come to the conclusion that all those present – whether actively involved in the conversation or not – consented to the price-fixing agreement. This would apply even if no explicit agreement was made. If you are present at a conversation of this nature between competitors, you should remove yourself immediately, make it clear that you consider this behaviour unacceptable and inform your legal department.

During a sales pitch, a customer wanted to give me a copy of a presentation containing a competitor's offer in order to illustrate that our prices are too high. Am I even allowed to accept the presentation?

- ▶ Maybe. If the customer can confirm that they are not obligated to treat the information as confidential, you may accept it. In any case, it is recommended that you document the fact that you obtained this information legitimately. If you are unsure whether this means of obtaining information is permissible, consult your legal department.

I work in sales and I know that a competitor firm is giving its customers large discounts in order to increase its market share. Would it make sense to get in touch with them and agree an upper limit for discounts and an allocation of customers and certain market segments?

- ▶ No. That would be a serious violation of cartel law, which is strictly prohibited.



You can find more information in the document “Leitbild für verantwortliches Handeln in der Wirtschaft” (“Guiding principles for responsible business”), produced in cooperation with the Wittenberg Center for Global Ethics (www.wcge.org), as well as in Group policy 04/2010 “Regelungen zum Verhalten bei behördlichen Durchsuchungen” (“Rules on conduct during official investigations”).

Anti-corruption

Corruption undermines fair competition and harms our business. Our position is clear: we do not offer or accept bribes.

When dealing with business contacts or holders of office or mandates, no advantages (e.g. cash, gifts, invitations or other personal benefits) that could give the impression of improperly influencing business decisions may be granted or accepted.

Corruption, in all its forms, is prohibited by law, regardless of whether it occurs directly or indirectly through the involvement of third parties, in the private sector or in dealings with public authorities. Special care must be taken when dealing with holders of office or mandates.

1. Cooperation with business partners

In our business relationships, our success is based on our products and services, not on unwarranted advantages. We make decisions in accordance with objective criteria on the basis of the law. We must not offer or grant any unfair advantage to any individual or company for the purpose of obtaining business or giving the company an unfair advantage. Unfair advantages are, for example, unauthorised discounts, bribes, kickbacks or consulting contracts in which the amount of remuneration is not commensurate with the value of the service provided or the competence of the consultant.

2. Cooperation with holders of office and public bodies

We pay particular attention to the integrity of our business conduct in our dealings with public authorities and holders of office or mandates. We do not under any circumstances grant benefits to civil servants, members of the political arena, public service employees, employees of a publicly owned company (e.g. municipal utilities) or other representatives of public institutions that could call their independence into question.

3. We show good judgement when granting or accepting benefits.

The exchange of gifts and invitations associated with a legitimate business purpose can help build constructive relationships. In certain situations, however, this can call into question the professional independence of those involved.

As a rule, the granting and accepting of benefits must be reasonable and the impression of extraneous considerations must be strictly avoided.

Reasonable benefits are:

- ▶ granted for the right reasons – that is, there is a specific permissible business purpose. The receiving person is not given any personal advantage, nor is there any attempt to unduly influence their decision.
- ▶ granted at the right time, i. e. not in the run-up to or during the course of a business decision, e.g. during a tender process.
- ▶ of reasonable value in the sense of what is considered socially customary, i. e. in line with general business practice and not unreasonably generous. The professional and social position of the person receiving the gift and the value limits set out in company policies must be taken into account.
- ▶ granted rarely, i. e. not frequently exchanged with the same business contact.
- ▶ granted or accepted openly, i. e. via a transparent process.

Examples of acceptable gifts are customary occasional or promotional gifts of low value, business lunches in the usual context that serve a legitimate professional purpose (e.g. lunch after a business meeting) or invitations to professional events if the professional character of the event is clearly in the foreground. On the other hand, it is always inadmissible, for example, to actively demand a benefit or to give cash, vouchers or similar.

Additional restrictions apply to holders of office or mandates, which are regularly defined in the official regulations of the relevant authorities. As a matter of principle, benefits may not extend beyond very simple gifts.

What does this mean for you?

We expect you to:

- ▶ avoid giving or accepting anything of inappropriate value.
- ▶ consider the context of the gift or hospitality and refrain, for example, from granting benefits during a tender process.
- ▶ be familiar with the company's policies, seek approval for granting a benefit if necessary and act in a transparent manner.
- ▶ always consider carefully whether accepting or granting benefits could give the impression of (attempted) improper influence, especially if holders of office or mandates are involved.

Example scenarios

I received an invitation from a consultancy to their summer party in Berlin. A lot of guests have been invited, including other people working for the same employer. My company has an ongoing business relationship with the consultancy firm. Can I go to this party?

- ▶ Yes. Attending an event like this with employees from different companies can be a good opportunity to cultivate business relationships and “network”. However, before attending you should check carefully whether this could give the appearance of improper influence on your decisions, e.g. because it is an exclusive event or because the award of a consultancy contract is pending and the consultancy firm is bidding for this contract.

My team has successfully concluded contract negotiations with a major supplier. We are considering inviting the supplier’s negotiating team out to dinner. Does this conflict with any compliance considerations?

- ▶ No. An invitation after contract negotiations have been concluded is fine. Whether you can extend or accept an invitation depends largely on whether a decision-making process is pending and whether it could give rise to the impression that the decision-making is being influenced by the invitation. Hospitality is permissible if there is a clear connection to the business activity, it is customary business practice and is consistent with the professional/social position of the parties involved.

At a contract signing, the sales representative of a supplier hands me a high-quality ballpoint pen. He tells me I can keep the pen if I advocate for the supplier with the purchasing department when the next award decision is being made. In any case, the pen is worth no more than €35. Can I accept it?

- ▶ No, because a quid pro quo is required here. You only get the pen if you do something in return. It might seem strict, but agreements of this kind are always prohibited.

I’m travelling abroad this month and need a work visa quickly. The employee processing my application at the embassy said he could speed up the procedure if I paid him a small fee in cash. Is that OK?

- ▶ No. The embassy employee is demanding an illegal bribe. If, on the other hand, it is an official fee – e.g. for a publicly available fast-track service – then this arrangement is fine. But even then, you should ask your legal department for advice beforehand, as you could be putting yourself and your company at risk of prosecution.

I know a supplier to my company who can get me tickets to a football match I’d really like to see. Would it be OK to ask him for tickets?

- ▶ No. Employees must not solicit gifts or hospitality from individuals or companies with whom they have a business relationship.



You can find more information in Policy 01/2013 on granting and accepting gifts and other benefits, known as the “Geschenkerichtlinie” (“Gifts policy”).

Setting an example when it comes to regulations

In many business areas in which the companies of VNG AG operate, there is an ever-increasing number of regulations that must be complied with. In view of this, all employees should set an example when it comes to following regulations.

Unbundling

The Energy Industry Act (Energiewirtschaftsgesetz) places special requirements on the conduct of employees of energy supply companies. Complying with the regulations on unbundling with regard to the business areas of trading, transport and storage, for example, is part of our day-to-day routine. In particular, all employees of ONTRAS Gastransport GmbH (ONTRAS) and VNG Gasspeicher GmbH (VGS), as well as the employees of VNG H&V providing services to VGS, must ensure that access to the grid and storage facilities is granted on a non-discriminatory basis.

This means operating in such a way that no users are disadvantaged. At VNG H&V, this has a particular impact on the handling of information, as grid and storage operators must always treat commercially sensitive information connected with their own activities, e.g. information on customers, connection and usage data, as confidential. If information is disclosed about the operator’s own activities in connection with grid or storage operation, this must be done in a non-discriminatory manner.

What does this mean for you?

- ▶ Familiarise yourself with the laws and regulatory requirements that are relevant to your area of responsibility.

Example scenarios

An energy supply company is planning to construct a power plant and is entering into negotiations with ONTRAS about a grid connection. These plans are not yet public knowledge. At a trade association meeting, employees from VNG H&V and ONTRAS are having a discussion. Can the ONTRAS employees give any information about whether there are plans for a power plant connection?

- ▶ No. If the connection owner is obligated to treat the project confidentially, disclosure is not permitted from the outset. This is commercially sensitive information connected with the grid operator’s activities, which must remain confidential.



You can find further information in Group policy 01/2007 “Organisation der diskriminierungsfreien Ausübung des Speichergeschäfts” (“Ensuring non-discriminatory operation of the storage business”) (Storage equal treatment programme).

Knowing our contractual partners

1. We build strong relationships with our contractual partners – ensuring careful selection and legally compliant procurement

Contractual partnerships with, for example, supplying and consulting companies that offer excellent products and services on good terms are important for our success.

We therefore conduct procurement processes carefully and select contractual partners on the basis of their suitability in accordance with the principles of free, transparent and fair competition. When public contracts are being awarded, we comply with the provisions of public procurement law. Contracts are awarded to competent, efficient, law-abiding and reliable companies. The company with the most cost-effective bid will win the contract.

2. Preventing contractual risks

It goes without saying that we honour our agreements with third parties. In order to avoid misunderstandings and unintended consequences, all employees who are responsible for concluding contracts must carefully consider the resulting rights, obligations and risks before concluding contracts. In this respect, the legal department in particular must be involved in the drafting or review of such agreements in a timely manner, unless otherwise specified.

3. Anti-money laundering

Money laundering occurs when funds or other assets originating from criminal activity are brought into economic circulation in order to give them the appearance of legality. Liability for money laundering does not require the person involved to be aware that money is being “laundered” via the business transaction in question. To prevent money laundering, we identify contractual partners and monitor and report suspicious activities in accordance with the applicable laws.

Caution is advised in the case of:

- ▶ cash payment or payments of cash equivalents.
- ▶ payments made by third parties rather than the actual contracting party.
- ▶ transactions where no business purpose is apparent or which do not appear consistent with a party’s business strategy.
- ▶ contracting parties with an ownership structure that disguises the true owners.
- ▶ payments to or from an account other than the usual business account.
- ▶ processing of payments for one invoice via several payment instructions.
- ▶ double payments or overpayments that cannot be readily explained as simple errors.

4. International trade

We comply with the laws governing international trade and are committed in particular to complying with trade sanctions, anti-terrorist financing laws, export regulations and anti-boycott laws. Among other things, these laws specify certain countries, companies and persons with whom we are not allowed to do business. These laws are complex and may apply to different employees or in different countries in different ways. We have therefore defined processes to help you identify situations that fall within the scope of these laws.

What does this mean for you?

- ▶ Know your business partners and follow the processes for verifying information about them.
- ▶ Follow the company rules regarding proper processing of payments and watch out for anomalous payment practices or suspicious behaviour within business partnerships.

Example scenarios

We may be doing business with a new firm in the energy industry. However, the firm has a complicated ownership structure with many companies, some of which are based abroad. I was urged not to sign any contracts until we have carried out a thorough internal review. This doesn't seem very conducive to business.

- ▶ An essential part of your work is identifying and clarifying risks associated with your transactions, including the trustworthiness of new contractual partners. Although thorough verification takes a long time, it is the right course of action in situations like this, in order to protect the company.

A customer has asked if they can make payments to our company through different accounts and in a combination of cash and cheques. What should I do?

- ▶ This behaviour is indicative of money laundering and you must report it immediately to your compliance management team or legal department.

A client who has paid more than the agreed amount asks if part of the overpayment can be paid back in cash and another part to a third party. What should I do?

- ▶ Overpayments and payments to third parties may be signs of money laundering. Under such an arrangement, for example, the company may be paying a third party that the client does not want to pay directly. Consult your superiors or your legal department before proceeding with the transaction.



Please pay particular attention to the regulations applicable in your company regarding accounts receivable and credit risk management, the procurement of goods and services, and signing authorities. If you have any questions, please contact your compliance management team or legal department.

4. APPROPRIATE HANDLING OF INFORMATION AND ASSETS

We handle sensitive information with care

1. Non-disclosure

Employees of VNG companies have access to various types of confidential information, e.g. projects, business plans, financial data, customer information, contract terms or sales strategies. It is essential that this information is protected in order to safeguard the interests and success of VNG H&V. We also respect the confidential information of our clients, business partners and other third parties. Confidentiality obligations are part of your employment contract and continue to apply even after your employment ends.


As an employee, you are obligated to store confidential information carefully and to ensure that only persons who need the information in the course of their work have access to and knowledge of it.

Confidential information must not be discussed in areas where third parties may acquire this knowledge, such as on public transport. If, for operational reasons, confidential information is to be shared with third parties, permission must be obtained from superiors. In the case of transactions of high economic importance (e.g. financial data not previously available to the public), information may be released to third parties only if they have signed a confidentiality agreement in advance. This must be arranged with your legal department.

2. We prevent insider trading and market manipulation and comply with disclosure requirements

Trading in wholesale energy products, securities or financial instruments is prohibited for employees who have inside information. The same applies to any kind of market manipulation in the energy wholesale or financial market. Insofar as there is an obligation to publish insider information, the information should be submitted to the relevant internal department for review and possible publication.

Insider information is information that is not publicly known regarding actual or expected circumstances that are likely to have a significant effect on the price of a wholesale energy product or the value of a security. This includes, for example, information concerning the capacity and use of facilities for the storage, consumption or transportation of natural gas (e.g. planned or unplanned non-availability of these facilities). However, it also covers non-public information whose disclosure could influence the value of listed securities (e.g. the value of shares in a business contact). Examples include information on expected financial results, planned mergers or exploration results.



Examples of prohibited market manipulation are transactions, stock exchange orders or other actions in relation to financial instruments or wholesale energy products that may give false or misleading signals about supply, demand or price, or create an artificial price level, or that may misrepresent facts or disseminate false/misleading information.

3. Data protection and information security

Information and IT are crucial factors for successful handling of business processes and the creation of value for VNG. A comprehensive guarantee of data protection and information security is a prerequisite for this.

We therefore ensure that information and IT systems can only be used by authorised persons for professional purposes and that they are available when they are needed. We deny access to unauthorised persons. We protect personal data (e.g. information concerning employees, customers and suppliers) and only collect, process or use it to the extent that this is necessary for defined, clear and lawful purposes.

Company assets and reporting

We make prudent use of the corporate assets entrusted to us by our shareholders. We protect our company's assets (tangible assets such as equipment, vehicles, computers or office supplies as well as intellectual property such as copyrights) against loss, damage, theft, misuse and unauthorised use.

We use financial resources and other corporate assets responsibly and exclusively for business purposes. Private use is only permissible with the express approval of the relevant departments or in accordance with the applicable company policies (e.g. company cars, occasional phone calls).

To ensure that our reporting is always correct and truthful, we keep accurate business records and comply with statutory accounting and reporting obligations. This includes documenting all business transactions completely and truthfully and complying with retention obligations.

What does this mean for you?

- ▶ Keep confidential information secret at all times and protect it from unauthorised access by third parties.
- ▶ Do not trade on the wholesale energy market or financial market under any circumstances if you are in possession of inside information, and refrain from any kind of market manipulation. In the case of insider information that is subject to disclosure requirements, inform the relevant internal department.
- ▶ Ensure that care is taken when processing personal data. Consult your data protection officer before implementing new or significantly modified processes involving personal data.
- ▶ Use company property responsibly and keep complete records of all business activities. Follow the guidelines for document management.

Example scenarios

I've just moved to VNG Handel & Vertrieb GmbH from a competitor and have brought with me a lot of information that could be useful for VNG H&V. Can I share this information with my new team?

- ▶ No. This would be against the rules of the Code of Conduct, against your obligations to the company where you were previously employed and possibly also against the law. You must abide by your contractual confidentiality obligations even after your previous employment ends – just as you are obligated, as part of our team, to maintain the confidentiality of our information. You should, of course, use the know-how and skills you acquired in the course of your previous employment, but you must not share confidential material from your previous employment.

My department is participating in an electronic tender for a prospective customer and, owing to a technical error, has inadvertently received the offer of a competing company. You are wondering if you should open the file.

- ▶ Do not open the file or use it in any other way. Discuss the next steps with your legal department (e.g. deleting the e-mail, informing the sender of the error and documenting the incident).

In the course of my work, I have discovered that certain Group activities are very promising and that detailed information on them will be published soon. So it seems very tempting to quickly buy shares in a listed company that is also involved in these activities. Am I allowed to do that?

- ▶ No. You are in possession of insider information and are not permitted to act on it. You may complete the purchase when the results of the group's activities are publicly known, but not before.

Data protection laws only cover sensitive personal data such as ethnic origin, medical details, credit card numbers and social insurance numbers. Is that correct?

- ▶ No. Data protection laws apply to all data relating to natural person that we store and hold on our systems. E-mail addresses of customers, contact data, images of people, including publicly available personal data, e.g. from the Internet – this all constitutes personal data, which is protected insofar as it can be attributed to an identifiable individual.

It is the final week for the quarterly reporting. My boss wants to make sure that we meet our quarterly targets and has asked me to include a sale that has not yet been confirmed and will not be completed until next week. I'm sure no one would mind – should I follow his instructions?

- ▶ No. Costs and income must be declared at the correct time. As the sale has not yet been completed, this would be a false statement.

I have received documents from my predecessor that could have been destroyed. I've since heard about some legal proceedings and I believe these documents could be used against the company I work for. Am I allowed to destroy them?

- ▶ No. You must not, under any circumstances, destroy documents relating to ongoing or imminent proceedings or official investigations. For further information, contact your legal department.

An employee uses company-owned computers and equipment and working time to design and print wedding invitations and birth announcements as favours for other employees. Is that OK?

- ▶ No. The employee is misusing company assets.



Find more information in Group policy 01/2014 on labelling and storage of documents, in Group policy 01/2012 on the prohibition of market manipulation and on the publication of insider information in accordance with REMIT.

For questions on data protection and information security your your data protection and information security officers.

Resolving conflicts of interest with care and transparency

Each of us has a duty of loyalty towards the company. We should avoid conflicts of interest between ourselves and the company or handle them transparently.

Examples of conflicts of interest are:

- ▶ Investments or business relationships

You have a personal interest in specific business contacts or competitors that could have an impact on our business (e.g. in the form of a shareholding or a relationship with management).

- ▶ Relatives and close friends

You are making personnel decisions or conducting business that affects your relatives or close friends.

- ▶ Secondary activities

In addition to your employment with a VNG AG company, you also work for another company. If this company has or is seeking a business relationship with VNG, particular care is required. Secondary activities must be reported and may be prohibited if necessary.

- ▶ Benefits

You receive discounts or benefits from business contacts or competitors that are not also offered to at least a large group of other employees in your company.

- ▶ Multiple mandates/roles

You take on multiple roles within bodies, committees or companies of VNG. This situation must be handled carefully and transparently.

What does this mean for you?

- ▶ Keep confidential information secret at all times and protect it from unauthorised access by third parties.
- ▶ Always make business decisions in the interest of your company. Put your own personal interests aside.
- ▶ Disclose a conflict of interest immediately to your superiors and compliance management team. They will decide together how the conflict should be resolved.

Example scenarios

An employee in my team was invited by a seminar provider to speak at a conference on a topic in which she has expertise as a result of her work. The provider is willing to pay for the travel as well as paying my team member a fee of €300. Is she allowed to accept this offer?

- ▶ There are no compliance considerations that would prohibit your team member from speaking at a conference of this kind. Your decision as the employee's superior will depend on whether your employee's workload allows her to take part.

My department works regularly with a logistics company. While talking to a manager from that company, I mentioned that I'm moving into a new apartment. The manager said that he could do a "special deal" for me and would not charge anything.

- ▶ You must disclose this to your superiors. There is a risk that the manager will try to influence your decision-making and secure future contracts by putting you in a situation where you feel personally indebted to him.

We need a local IT service provider and finding the right one is difficult. We could save ourselves a lot of time and effort if we just use my brother's company. After all, I know the company does a good job. Is that OK?

- ▶ No. Using a company just because you trust your brother is not sound business practice and goes against our procurement requirements. Under certain circumstances, it may, however, be justifiable to award a contract to your brother's company. If you make sure that your decision is not influenced by your personal relationship and that you yourself are not involved in the selection process, your brother's company can submit a bid like any other qualified company. In any case, do not make your decision alone. Consult your superiors and compliance management team.



You can find more information in Policy 01/2013 on granting and accepting gifts and other benefits ("Geschenkerichtlinie" ["Gifts policy"]).

5. APPROPRIATE BEHAVIOUR IN THE WORKPLACE

Fair treatment and equality

One of our greatest strengths is our people. VNG H&V must therefore create a professional working environment where all employees treat each other in a trusting, fair, respectful and open manner. We do not tolerate any form of bullying or other harassment of our employees.

We respect and encourage individuality, creative potential, diversity and equal opportunities. We do not tolerate any discrimination on the grounds of racism, ethnic origin, gender, religion or belief, disability, physical appearance, age or sexual identity under any circumstances. Personnel decisions are based solely on performance, skills and other attributes pertaining to the requirements of the job in question.

Health, safety and environment

We are committed to the safety and health of our employees and to the long-term protection of the environment. We comply fully with applicable legislation and continuously strive to ensure that our activities do not have any negative impact on health or the environment.

Our goals can be stated simply: no accidents, no health hazards and no environmental damage.

We also maintain and promote the health, performance and job satisfaction of our employees through continuous improvements in the working environment and preventative measures.

Safety is particularly important at VNG's technical locations. These are subject to strict occupational health and safety regulations. However, safety regulations alone are not sufficient.

Our responsibility for health, safety and the environment also means that each and every one of us must always be alert to risks in our daily work in order to consciously avoid hazards from the outset.

What does this mean for you?

- ▶ Treat all colleagues fairly and respectfully.
- ▶ Create a professional working environment that is free from discrimination and bullying.
- ▶ Familiarise yourself with and comply with relevant occupational safety, health and environmental protection regulations.

Example scenarios

I think the position that is about to become vacant in my department involves too much business travel for a single parent. I have therefore agreed to conduct recruitment interviews with single parent applicants only as a matter of courtesy.

- ▶ Making an assumption like this would go against our company's regulations and you may even be in breach of the law, depending on the circumstances. You need to interview all candidates whose professional qualifications meet the requirements for the job, not least because otherwise you will not get the best person for the job.

A very good member of our team is hearing impaired. He's able to speak, but it sounds a little strange. Some of the staff make fun of him behind his back because of this. I think it's inappropriate. What should I do about it?

- ▶ This kind of behaviour is detrimental to cooperation and is unacceptable to us. You have a number of options: You could confront the people involved, discuss the problem with your superiors, the human resources department or the person/team responsible for compliance with the General Equal Treatment Act (AGG) in your company.

I'm in a difficult position as a female employee. One of my male colleagues keeps upsetting me with remarks about my appearance. I've already asked him to stop but he hasn't. What should I do about it?

- ▶ You can – and should – report this to your superiors, the human resources department or the person/team responsible for compliance with the AGG in your company. You will be given the support you need.



For questions about fair treatment and equality in the workplace, contact your human resources department, the person/team responsible for compliance with the AGG in your company or your works council. With questions about occupational health and safety, contact the IQM, safety management, fire safety officers or your HSEQ department.

6. CORRECT BEHAVIOUR WHEN DEALING WITH THE PUBLIC

External communication and representation of interests

We believe that constructive dialogue with our stakeholders helps us to better understand their needs and implement our business strategy. Our stakeholders include our customers, business contacts and shareholders as well as policy makers, authorities, non-governmental organisations, the media and civil society. The representation of stakeholders is a responsibility that must be carried out with particular care, integrity, reliability and trustworthiness. This is often achieved via trade and business associations as well as through direct dialogue.

All public statements must be clear, consistent, factually correct and appropriate, and may only be made by persons authorised to do so. In particular, all enquiries from companies concerning investment, analysis, auditing and from the media should be referred to the relevant commercial department or Corporate Communications. Refer any requests from authorities that are made outside the normal business channels to your legal department immediately.

Donations and sponsorship

Supporting charitable initiatives is part of our sustainable commitment. We aim to focus on the regions in which VNG H&V operates. In general, long-term projects are preferred to short-term measures, with priority being given to projects in the social, educational, research, economic, cultural and sporting sectors, as well as projects promoting relations with our partner countries. We do not make any donations to political parties or to holders of office or mandates.

The allocation of donations and sponsorship is coordinated by the Corporate Communications department of VNG. This is always done in a transparent manner. The purpose, the recipient of the donation and the donation receipt from the receiving institution are documented. Sponsoring may only take place on the basis of a written contract in which the counter-performance required from the receiving institution is clearly defined and is in reasonable proportion to the sponsoring contribution.

When reviewing projects, the expected sustainable impact is important to us. This serves as a benchmark for assessing the value and success of an initiative. The prerequisite for supporting a project is that it promotes the business activities of VNG H&V, e.g. increasing awareness of its products and services and enhancing its public image.

What does this mean for you?

- ▶ Forward all enquiries from companies concerning investment and financial analysis and from the media to the appropriate department.
- ▶ When awarding donations and sponsorship, it is important to avoid even the appearance of improperly influencing the company's business relationships with third parties.

Example scenarios

I'm talking to a business partner about the activities of VNG AG and its subsidiaries. The partner asks me how we view the general market development and how we position ourselves. Where can I find information that can help me answer these questions?

- ▶ To ensure consistent dialogue with our stakeholders, position papers concerning various areas of corporate responsibility have been produced. This information, as well as questions and answers on various topics, can be found on the intranet. However, always bear in mind your obligation to protect confidential information.

A local reporter has contacted me via a mutual acquaintance to ask me about this year's annual report. Am I allowed to give a comment?

- ▶ No. You should explain that you are not allowed to comment publicly on the business activities of the company you are employed by. Instead, offer to put the reporter in touch with the Corporate Communications department.

A local sports club has asked me whether my company can provide financial support for a club function. What should I do?

- ▶ Donations are coordinated exclusively by the Corporate Communications department of VNG. Get in touch with them to discuss the next steps



You can find more information in Policy 01/2013 on granting and accepting gifts and other benefits ("Geschenkerichtlinie" ["Gifts policy"]). You can find questions and answers on various topics, as well as position papers, on the intranet.

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