



Internal Directive 9/140212

Compliance Programme as amended in update 9/111115

issued under Section 60a (3) of Act No 458/2000, the Energy Act

PREAMBLE

- A. This Compliance Programme (hereinafter referred to as the “Programme”) is an internal directive of SPP Storage, s.r.o. (hereinafter referred to as the “Company” or “Integrated Undertaking”) which is binding on all employees of the Company (hereinafter referred to as “Employees” or, individually, “Employee”).
- B. The purpose of the Programme is the following:
- (i) Define the rules for treating facts having the nature of Trade Secret and Commercially Sensitive Information concerning the Company’s business, for the purpose of preventing unauthorised disclosure thereof;
 - (ii) Define the rules that will ensure non-discriminatory and equal access to the information provided by the Company for all gas market participants (who want to use, are using, or are interested in using, the Company’s services);
 - (iii) Define the rules for the configuration of firewalls providing for the protection of Commercially Sensitive Information;
 - (iv) Define the rights and responsibilities of the Compliance Officer as the person who will carry out measures in accordance with this Programme and who will monitor and answer for compliance with the provisions of this Programme.
- C. This Programme does not apply to the confidentiality obligations arising from separate generally binding legislation or the internal directives of the Company, or to the contractual confidentiality obligations agreed between the Company and Employees, which arise for the Employees over and above the obligations set out herein, or to the contractual confidentiality obligations agreed between the Company and third parties of which the Employee was aware, or could be and ought to be aware, taking into account the relevant circumstances, if these confidentiality obligations are in excess of the obligations set out herein.

I. Definitions

Unless stipulated otherwise herein, the terms used in this Programme shall have the following meaning:

“Compliance Officer”, a person appointed by the Company to monitor performance under the Programme within the meaning of Section 60a (4) and (5) of the Energy Act;

“Commercially Sensitive Information”:

- Any information which is specific to the Company’s Customers (information relating to a Customer’s booking of storage capacity in the Storage Facility or its nominations for gas injection or gas withdrawal within the meaning of the SPP Storage s.r.o. Storage System Operator’s Code);
- Any information relating to the operation of the Storage Facility which includes, without limitation, information relating to storage capacity, gas-in-storage inventories, aggregated inflows and outflows into and from the Storage Facility, and the day-to-day operation and maintenance;
- Other information failure to protect which may give unfair advantage to other gas market participants in the Group;

- Protected information within the meaning of Section 2 (1) (d) of Act No 458/2000.

The following information shall not be regarded as Commercially Sensitive Information:

- Customer-specific information disclosed to this Customer or disclosed in accordance with the Customer's consent;
- information otherwise publicly available or disclosed simultaneously to all gas market participants as required by legislation, including, without limitation, Act No 458/2000, the Energy Act, Public Notice 365/2009 on Gas Market Rules and Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency (REMIT).

“Trade Secret” means all facts that are important in terms of competition, can be specified, can be valued and are not normally available in the relevant commercial circles, which are related to the Company, which are to be treated as confidential at the Company's will, and the Company provides for their confidentiality accordingly;

“Confidentiality Obligation” means any Employee's or any other natural person's or juristic person's obligation to refrain from disclosing and making available Commercially Sensitive Information to the Group or to Third Parties, unless such disclosure has expressly arisen from legislative requirements, the Company's internal directives or agreements between the Company and its partners;

“Group” means a group of companies controlled by Energetický a průmyslový holding a.s., having its registered office at Příkop 843/4, Zábřovice, 602 00 Brno, Company No. [IČ]: 283 56 250, and Slovenský plynárenský priemysel a.s., having its registered office at Mlynské Nivy 44/a, Bratislava, Slovak Republic, Company No. [IČO]: 35 815 256, which carry on the business of gas transmission, gas distribution, gas storage, gas production and gas trade;

“Third Party” means a natural or juristic person that is not part of the Group;

“Designated Persons” means companies in the Group, i.e. its employees, who provide the Company with agreed services or support;

“Customer” means a natural person or juristic person that has in place, as a storage customer, an agreement on gas storage in the Storage Facility;

“Storage Facility” means the underground gas storage facility at Dolní Bojanovice owned and operated by the Company.

II. Basic Provisions

2.1 The Company represents that

- (i) it has effective decision-making rights, independent from the companies in the Group as a vertically integrated gas undertaking, with respect to assets necessary to operate, maintain or develop the Storage Facility;
- (ii) the persons who are responsible for the management of the Company do not, directly or indirectly, participate in the organisational structures of those of the companies in the Group, as a vertically integrated gas undertaking, which are

- responsible, directly or indirectly, for the day-to-day operation of gas production or for trade in gas or electricity;
- (iii) the Company's governing body or managers are not at the same time the governing body, or members thereof, or proxies [= *Prokurist* in German] or managers of those of the companies in the Group, as a vertically integrated gas undertaking, which are holders of a licence for gas production or for trade in gas or electricity;
 - (iv) the Company's governing body or managers do not receive any remuneration or other financial benefits from those of the companies in the Group, as a vertically integrated gas undertaking, which are holders of a licence for gas production or for trade in gas or electricity;
 - (v) remuneration provided to the governing body or managers of the Company does not depend on the results achieved by holders of licences for gas production or for trade in gas or electricity within the Group as a vertically integrated gas undertaking;
 - (vi) the Company's parent company does not give the Company any instructions regarding day-to-day operation or maintenance of the Storage Facility, nor with respect to individual decisions concerning the construction or upgrading of parts of the Storage Facility, that do not exceed the terms of the approved financial plan, or any equivalent instrument (the foregoing shall be without prejudice to the parent company's authority to approve the annual financial plan, or any equivalent instrument, of the Company and to set global limits of indebtedness of the Company).

III.

Measures to Exclude Discriminatory Conduct

- 3.1 The Company ensures that Customer-specific information or information about the operation of the Storage Facility (Trade Secret and/or Commercially Sensitive Information) is not disclosed to any part of the Group other than the Company or to Third Parties, unless, where it is operational information, it is disclosed to the market simultaneously and/or the disclosure of which has been approved by the Customer. The foregoing shall be without prejudice to disclosing such information to Third Parties in the position as consultants or suppliers of goods, work and services, provided that the protection thereof has been adequately ensured in a contract.
- 3.2 The Company must not discriminate against any gas market participant as regards access to the Storage Facility (storage products) of the Company, in particular, without limitation, in any way give preferential treatment to companies of the Group as regards access to the Storage Facility.
- 3.3 The Company shall publish information about access to the Storage Facility (the services offered by the Company) in an understandable, non-discriminatory and efficient manner on the Company's website to make this information publicly accessible in Czech and in English for all simultaneously, so that none of the Group's companies has the advantage of a better or earlier access to such information.
- 3.4 In assessing offers to enter into an agreement on gas storage in the Storage Facility the Company shall not give undue preferential treatment to companies in the Group.
- 3.5 The Company shall also adequately protect Commercially Sensitive Information and Trade Secret in relationships with its trading partners – suppliers of goods, work and services. In the case of disclosing Commercial Sensitive Information or Trade Secret to such trading partners the Company therefore requires the putting in place of

arrangements that contain provisions on the other contracting party's obligation to treat as confidential any and all matters concerning the Company of which the other contracting party has learned in performing the agreement.

- 3.6 If Commercially Sensitive Information has to be disclosed to obtain services or support from Designated Persons the Company shall ensure that such Designated Persons are acquainted with the provisions of this Programme, provided that the Company commits them to be bound by this Programme.

IV.

Rights and Obligations of the Company's Employees under the Programme

- 4.1 Employees of parts of the Group other than the Company must not solicit or otherwise try to obtain Commercially Sensitive Information from the Company. If employees of a part of the Group receive or become aware of Commercially Sensitive Information relating to the Company they must notify the Compliance Officer immediately and must not use that information in any way that may be considered to constitute prejudice to competition or the gas market.
- 4.2 Employees shall keep the principle of equal treatment and prohibition of discrimination in gas market participants' access to information. Employees must ensure that all Customers are treated on a fair and non-discriminatory basis. If any Commercially Sensitive Information is to be published it should be disclosed to all gas market participants simultaneously in Czech and in English and on the Internet.
- 4.3 The employment contracts between the Company and its Employees shall contain the obligation to treat as confidential any and all facts concerning the Company's activities, which the Employees acquire in performing or in connection with their work. An Employee's breach of this confidentiality obligation shall be viewed as a particularly gross breach of obligations arising from legal regulations applicable to the work performed by the Employee and can result in an immediate termination of employment under Section 55 (1) (b) of the Labour Code.
- 4.4 In order to protect Commercially Sensitive Information firewalls between the Company and the other parts of the Group have been configured to prevent access to Commercially Sensitive Information by people in parts of the Group other than the Company.
- 4.5 An effective configuration and keeping of such firewalls shall be achieved primarily by strict adherence to the following rules:
- a) Employment contracts and management contracts between the Company and its Employees and the natural persons who are members of its governing bodies¹ shall contain an obligation to treat as confidential any and all facts of which they learn as part of their activities;
 - b) Employees shall only use Commercially Sensitive Information for the purpose and to the extent required for performing the obligations arising from the Company's organisational structure and for the provision of the required advice and support for the Company and shall treat such information as confidential;

¹ Under Czech legislation, a managing director is a single-member governing body of the company

- c) Designated Persons shall not have the right to disclose Commercially Sensitive Information to employees or other representatives of companies in the Group other than the Company;
- d) Employees and representatives of companies in the Group other than the Company shall have the right to obtain or request Commercially Sensitive Information only exceptionally and for purposes exactly specified in advance and subject to the Compliance Officer's approval.
- e) The Company's Employees shall, in particular,
 - lock their PCs and refrain from leaving documents on their desks unguarded for a long time, and shall store files of documents containing Commercially Sensitive Information in locked cabinets;
 - be particularly cautious and refrain from leaving information in shared fax machines and copiers and on desks and flip-charts in shared meeting rooms;
 - refrain from holding conversations the subject of which is discussion of Commercially Sensitive Information in areas shared with companies in the Group other than the Company, unless these are business talks during which the discussion of Commercially Sensitive Information is in compliance with the principles of this Programme (for example, meetings at the registered office of a Customer who is a Group company);
 - mark the front page of documents containing Commercially Sensitive Information by a visible designation;
 - check the accuracy of the e-mail addresses of the addressees of messages containing Commercially Sensitive Information, especially in the case of transmitting mass e-mail messages;

4.6 The above restrictions do not apply to information necessarily required for performing the Company's assignments that arise from the Company's internal regulations and do not contravene this Programme. The Company and other companies in the Group can provide each other with services through their employees provided that such employees shall, in the process of the provision of such services, ensure confidential treatment of the information so disclosed.

4.7 Commercially Sensitive Information must be protected when Employees transfer/are seconded from the Company to a company in the Group other than the Company, provided that

- if the respective Employee did not work at all with, or had not access to, Commercially Sensitive Information or did not have such access for a period of one month prior to the date of transfer/secondment to work in a company in the Group other than the Company, this Employee can immediately transfer/be seconded to work in a company in the Group other than the Company;
- if the Employee had such access to Commercially Sensitive Information such Employee may not work in a company in the Group other than the Company in any operation that carries out gas supply, transmission or trade for a period of one month – however, the foregoing shall not apply if the Employee complies with the information protection rules set out herein.

V.
Compliance Officer

- 5.1 On the basis of this Programme, the Company's Managing Directors shall appoint a Compliance Officer who shall supervise the performance and implementation of the Programme and to this end shall, in particular,
- be authorised, within the remit of this Programme, to request information from Employees;
 - be authorised, within the remit of this Programme, to give tasks to the relevant Employees for the purpose of implementing this Programme;
 - organise training courses for the Employees with a view to their compliance with the Programme;
 - check the execution of the measures arising from this Programme;
 - prepare reports on compliance with the Programme and furnish the reports to the Company's Managing Directors once a year, no later than by 30 March of the calendar year following the year for which the report has been prepared;
 - provide advice to the Company on the preparation and development of internal directives and implementation of legislation in the subject area;
 - answer Employees' questions concerning the implementation of the Programme;
 - by 30 April of every calendar year, furnish the Energy Regulatory Office and the Ministry of Industry and Trade of the Czech Republic with an annual report on the measures adopted for the implementation of the Programme for the past year and shall subsequently publish the report on the Company's website.
- 5.2 The Compliance Officer shall be independent in the performance of his office and the Company shall furnish him with adequate powers and sufficient facilities and organisational conditions for the exercise of his rights and performance of his responsibilities. The Compliance Officer is not an employee of the Company and the agreed manner of his remuneration may not influence his independence in any manner whatsoever.
- 5.3 The Compliance Officer shall have the right to ask additional questions of authorised persons, request the documentation required for proving the implementation of the Programme and, if necessary, request remedy of shortcomings, giving reasonable time for such remedy.
- 5.4 If shortcomings in the implementation of the Programme are not remedied within the time limit given under the preceding clause the Compliance Officer shall have the right to submit a request for remedy to the Managing Directors.
- 5.5 Any of the Company's Employees who suspects any breach of the Programme, whether intentional or otherwise, must immediately report the matter to the Compliance Officer either directly or through their line manager. The Compliance Officer shall then

investigate the matter to determine whether a breach has occurred, and if so, what remedial action should be adopted.

- 5.6 If an Employee breaches the confidentiality obligation, or any individual duty required for the observance of the confidentiality obligation hereunder, his misconduct or negligence shall be regarded as a breach of labour discipline within the meaning of the Labour Code.
- 5.7 If an Employee breaches the confidentiality obligation hereunder, the Company shall have the right to raise against the Employee the relevant claims (in particular, but without limitation, claim for damages) within the meaning of the applicable labour and civil legislation.
- 5.8 The Compliance Officer may reject instructions given by any Employee or the Company's body if such instructions interfere with the Compliance Officer's competences or disrupt or jeopardise his independence.

VI. Final Provisions

- 6.1 This Programme is binding on all Employees and shall be made available to all Employees through the Company's internal information system.
- 6.2 Employees may be relieved of their confidentiality obligation hereunder only for reasons arising from generally binding legislation or on the basis of a decision in writing of the Company's Managing Directors relieving the Employee of the confidentiality obligation.
- 6.3 This Programme is binding on all Employees of the Company and also on the bodies of the Company.
- 6.4 This Programme has been issued for an indefinite period of time.
- 6.5 Under Section 305 (4) of the Labour Code, the Company shall inform the Employees about the issue, amendment or revocation of an internal policy within 15 days. The internal policy must be accessible for all Employees. Employees shall confirm their knowledge of the internal policy by signing the relevant record.
- 6.6 This Programme, as amended in update 9/111115, becomes valid on the day on which it is approved by the Managing Directors of the Company and comes into effect on the day on which it is promulgated.