

Code of Safety and Business Ethics



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March 2021

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Message
from the
Management
Board

Dear Colleagues,

After the entry into force of the Intergovernmental Agreement, NEK in 2003 established the principles of safety culture and business ethics. The Agreement constitutes an external framework of our operation and business in addition to nuclear legislation and industry standards as well as effective company management. We gave a commitment for the plant to be ranked in the top 25% operating NPPs in the world by the standard criteria of nuclear safety, operational stability and business performance.

After an extensive generation renewal a decade later, we evaluated our strategic policies again and defined key goals. To become world-wide leader in nuclear safety and excellence, was our new vision on the basis of ambitious goals and determination to achieve them. Our goal was to improve organizational effectiveness through high values, modern organisational culture, proper communication and motivation of employees, effective management and career development. The revision of the Code of Safety and Business Ethics, establishing the principles of ethical and moral behaviour, supported our vision. We defined our core and personal values as well as the principles of conduct and action.

We are facing serious challenges. The coronavirus pandemic has highlighted the key role of electrical energy for social systems in the circumstances which haven't been experienced before. Worldwide, and in particular in Europe, we are trying to find answers to questions of how to ensure energy safety, access to electricity for everybody and climate neutrality. Nuclear safety is also in the limelight of the public. We are aware that the long-term operation is only possible by meeting nuclear safety standards, including the Safety Upgrade Program, and high operational reliability and stability. To operate in the long-term, is only possible on the basis of sustainable development. Moreover, in addition to ensuring safe and stable operation and business performance we shall protect the environment, people and society.

To do that, it is crucial to have modernised management on the basis of co-creation and cooperation as well as competent and committed employees living the values of safety culture and business ethics. In the Code which directs our attitude and talks about who we are, we verified again what we believe in and what we expect from co-workers and partners who collaborate with us in fulfilling our vision and mission.

Our commitment to become world-wide leader in nuclear safety and excellence remains. We know that excellence is a path, not a goal. On this path, the step of everybody counts.

Dear co-worker, let the Code guide our thoughts, behaviour and actions.

Saša Medaković
Member of the Management Board



Stanislav Rožman
President of the Management Board





Introductory Address

Dear Reader,

The *Code of Safety and Business Ethics* provides all the NEK's employees with the guideline tuned to the primary ethical and moral orientation of our company and should therefore become a tool to support decision-making on all levels and in business situations.

It's the mirror of common values, behaviour and safety culture of the NEK company, its employees, business partners and the public supporting nuclear safety, sustainable development of the staff, and business environment as well as promoting excellence in every action and relation.

Purpose of the Code

Transparent and future-oriented plant operation in the light of ethics, relationships, and social integration.

Mission of the Code

To help employees, business partners, and wider public in understanding

- decision-making;
- personal and collective responsibility;
- corporate values;
- rules of operation on-site and off-site.

The document explains our directions and behaviour concepts.

Approach

The plant employees were actively engaged in the *Code's* development which makes it even more valuable and binding.

Abiding by the rules of the Code is a must of every employee and everyone who cooperates with the plant in any way. Violation of these rules can jeopardise nuclear safety, relationships, and the plant reputation. Failure to comply with the *Code* could mean infringement of Employment Contract and could lead to disciplinary action.

Masculine nouns and pronouns are used in situations where the gender of their subject(s) is unclear or variable, or when a group to which they are referring contains members of both sexes.

Drawing Attention to Derogations

We invite you to report any derogations from the principles of this *Code* to responsible department superintendent or the Management Board.

Keywords

Vision, mission, values, key rules of behaviour and action.

Validity

Code of Safety and Business Ethics is available at the NEK's portal and webpages. It supersedes the Code of Safety and Business Ethics of 2013.

It is delivered to every employee, newcomer, and permanent contractor.



I. Business Framework



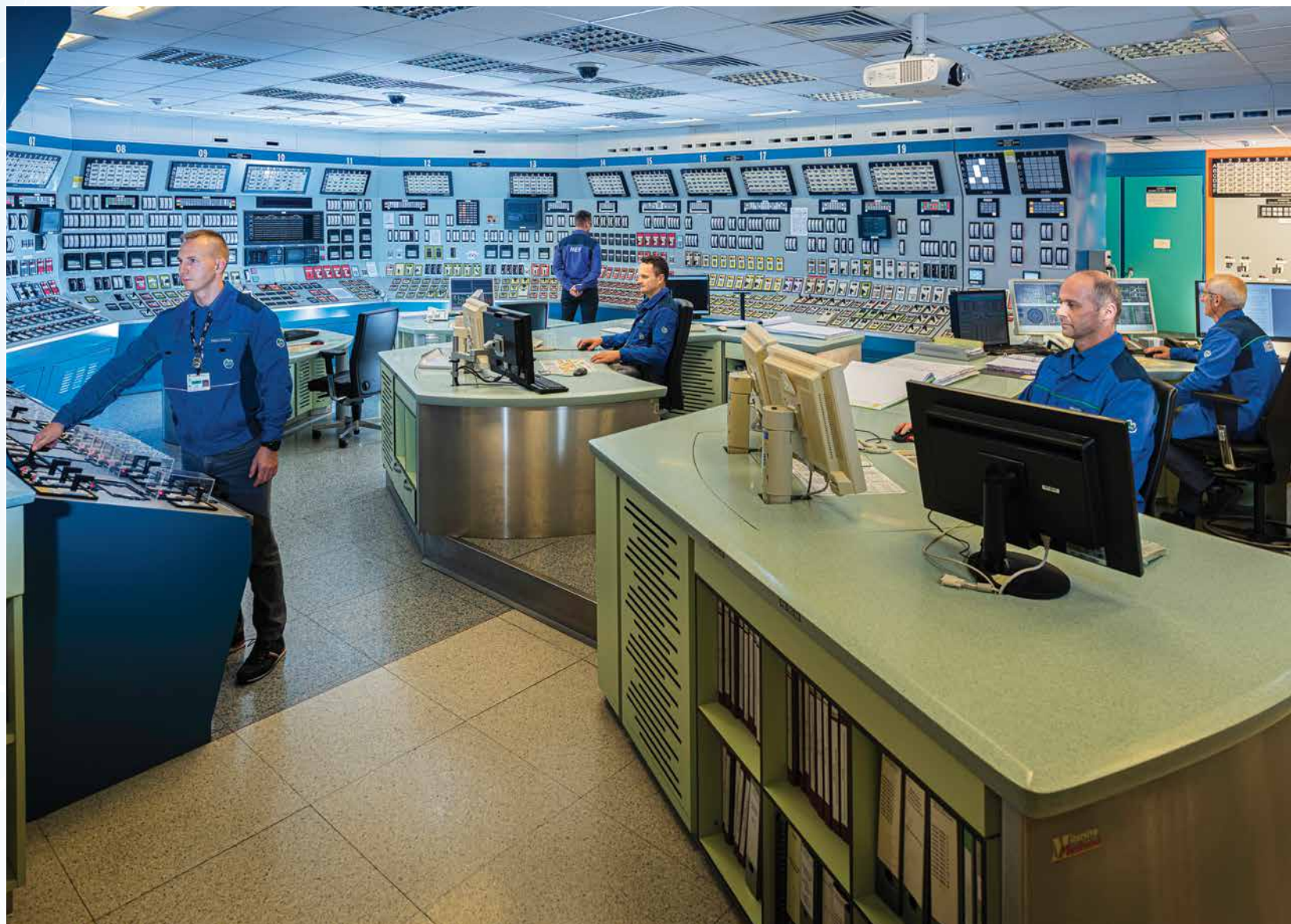
Our Vision

World-wide Leader in Nuclear Safety and Excellence.

Our Mission

is to ensure

- safe and stable plant operation pursuant to the leading standards which ensure individual and collective safety;
- competitive production of electrical power;
- public acceptance on the basis of transparent and honest operation and positive attitude towards the environment;
- critical self-assessment and permanent improvement.



II. Values

Core Values

Core values are our platform for action, a basis and condition for attaining our vision and mission. They are implanted into our work processes and relationships. They define basic features of employees and their relationship to the world and business environment. We live by our core values; professional and general public recognize us by them.

Safety culture

Safety culture is defined as employee behaviours which establish safe and stable plant operation together with health and safety of employees, business partners and the wider public. These are universal characteristics establishing approaches to work in nuclear facilities.

Excellent Interpersonal Relationships

Excellent interpersonal relationships and positive attitudes on all levels of activity lead to continuous success. We strive for environmentally and socially responsible production. We reinforce respect and trust in dealing with employees, business partners, and the public as well as abide by the law and regulatory limitations.

Comprehensive Employee Development

People with the needed knowledge, competence, skills, and values are the strategic asset and a key factor of nuclear safety, long-term stability, competence, and success. Only a person who constantly learns and develops is flexible, creative, and capable of adapting to changes.

Personal Values

Personal values are cornerstones of our inner world guiding our conscious and unconscious decisions. When constantly reinforcing and developing personal values in ourselves, in newcomers, and in our partners, we significantly contribute to the creation and realization of the core system values.

Professional Competence

Employees possessing, upgrading, using, and sharing expert knowledge with peers are competent NEK employees.

Responsibility

Employees attentive to job, actions, legal norms, regulatory restrictions, equipment, work processes, co-workers, and the environment are responsible NEK employees.

Trust

Trustworthy NEK employee is the one who builds trust and cooperation among peers and business partners in an honest, trustworthy, and principled way in concert with universal provisions established in an organised system of the nuclear industry worldwide.

Communication

NEK employee communicates adequately when understanding teamwork tasks and responding positively and when providing quality, comprehensive, and suitable information for timely and efficient decision-making. Creating good communication, he fosters healthy relationships which drive self and collective motivation and efficiency.

Respect

NEK employee shows respect for himself, his co-workers, and other business partners when communicating openly and honestly, thus protecting human dignity and integrity of every individual.



III. Principles of Behaviour and Action per Areas

1. Safety Culture

Personal Responsibility

We – NEK employees, acting on the basis of NEK values, are personally responsible for nuclear safety within the scope of our competence. The scope of our competence and responsibility is clearly defined; we are aware of it. Our attitude toward nuclear safety is shown with due regard for work standards and consistent reporting of safety-related problems. We provide priority dealing with and solving of safety issues in a responsible manner in the workplace and within teams.

Questioning and Analytical Attitude

We are aware that nuclear technology is special, exceptional, and complex. Therefore, we demonstrate a questioning attitude to operating conditions and activities to timely discover possible deviations that could result in improper operation or behaviour. We are all attentive to inadequate working practice, unsuitable working conditions, and risks as well as deviations that could cause undesired operating events.

Efficient Communication

The main subject of our communications is how to ensure nuclear safety. NEK employees communicate about deviations in technological processes, operational risks, work processes and tasks, operating experience and documentation. Managers use formal and informal communication and provide safety-related information. They encourage transparent communication between employees and ensure good information flow up and down the company hierarchy.

Attitude of Managers to Nuclear Safety

Managers are role models for promoting safety awareness. Their decisions, behaviours, and efforts reflect the importance of constant reduction of operational risks. They treat nuclear safety as the top priority at all levels and share its message to employees frequently, sometimes also as a stand-alone theme. Managers provide constant assessment of nuclear safety; they are present in workplaces to consult and enforce work standards.

Adequate Decision-making

Any decisions supporting or influencing nuclear safety are made systematically, conservatively, and after careful consideration. In case of unexpected events and uncertainties, operators have the right and responsibility to ensure safe operating mode of the plant. Management supports and enforces conservative decision-making which gives priority to proven safety measures.

Trustworthy Workplace

With mutual trust and respect as well as thorough and timely communication, we build and stand for a respectful workplace. We respect the integrity and dignity of every individual and his commitment to common goals. Trust and collaboration are the backbone of our work results. We appreciate different views on open questions and consider them in decision-making. Also, we encourage the employees' improvement initiatives, discuss them, and inform employees about the responses.

Experience-based Learning

We promote permanent learning and upgrade systematic approach to training, deepen and broaden the knowledge, focusing on the understanding of the special features of nuclear technology and safety. Best practices in the management of operating experience at nuclear power plants worldwide represent a crucial point in experience-based learning. We consistently perform self-assessments of our work processes and compare our work practice against comparable organisations (benchmarking).

Problem Identification and Resolution

Corrective Action Program (CAP) is a tool for systematic identification, analysis, and elimination of the found deviations in the area of technological systems, work processes, human performance, and organisation. We eliminate deviations commensurate with their nuclear safety significance. Team leaders periodically verify the effectiveness of the CAP and study its realisation rate.

Freedom of Reporting

In our positive work environment everybody is allowed to ask a safety-related question without fear of intimidation, harassment, and discrimination by the management in the process which ensures confidentiality and blame-free reporting environment.

Work Processes

Nuclear safety is the overriding priority in work planning. Work process is a process in which work is proposed, planned, performed, concluded, and documented. It covers risk identification and management. Our primary concern is related to both barriers preventing the releases of fission products into the environment and design margins. We maintain a clear system configuration and ensure comprehensive and updated technological documentation.

2. Interpersonal Relationships

Respect for Human Rights

Our work environment is free from exclusions on the basis of gender, religious, political or any other beliefs, trade union membership, national and social origin, family status or financial condition. The principle of non-discrimination is enjoyed in all work circumstances, starting with recruitment.

Equal Opportunities

We appreciate diversity of the workforce who wants to participate in achieving our common goals by their abilities, responsibility, and commitment. Such co-workers are the source of success in our company. We wish to cooperate on the basis of knowledge and clear development goals and ensure equal rights and possibilities of every employee, also during recruitment.

Creating Positive Work Environment

Our business culture and work environment attract and encourage the employees to be committed and responsible. We, at NEK, have respect for people and their rights and offer them work security and reasonable working conditions. Systematically developing their competences, we are committed to business excellence. We create trust with an open, honest, and unambiguous communication between subordinates and superiors, and other co-workers. Also, we are willing to assume the responsibility, listen to co-workers, cooperate, and act positively.

Able and Trustworthy Manager

The NEK management is in charge of work processes and people in compliance with our values, mission, and vision to reach key operational goals. It is their task to put basic nuclear directions of nuclear industry and the owners into action and sort out priorities so that employees are able to understand the roles they play in the company success. Managers make decisions which have direct effect on operation and safety results, on employee development, and commitment. They support employees in achieving operational effectiveness and build mutual trust; they are highly visible and accessible.

Respect for Human Dignity

We treat everyone with respect and ethically. There is no room for discrimination, violence or harassment. We make sure that there is no discrimination on the grounds of sex, including unwanted physical, verbal or non-verbal conduct of a sexual nature with the effect of creating intimidating, hostile, and degrading environment which insults the dignity of women and men at work.

Building a Good Public Image of the Company

Good manners and proper workplace etiquette show respect towards the company, co-workers, and business partners. Our attire and manners help build the image of the company. Let's adjust our clothing style to our task and business opportunity. When performing work in the workplace or talk on behalf of the company, we represent the company; that's why our performance, views, and manners count.

3. Employee Development

Long-term Recruitment Strategy

In compliance with the NEK organisation and foreseeable requirements, we provide long-term recruitment plan, timely recruitment, and systematic development of newcomers. We pay special attention to the development of competences for vital job titles in the light of an in-depth understanding of technological processes and improving work quality and performance of employees. Recruitment is premeditated on the basis of the requirements of work processes and with due regard to the target number of employees pursuant to the approved human resource strategy.

Transfer of Knowledge and Skills

Our management is responsible for and ensures systematic transfer and documentation of knowledge laying special emphasis on the skills and contents which are not covered in operating documents. They ensure adult, technological, and process knowledge and necessary means for training to mentors and training staff.

Systematic Approach to Training

We are aware that systematic approach to training contributes to the success in achieving organisation goals. Professional and competent individuals is the precondition for efficient, quality, and safe work processes which lead to safe and stable plant operation. Outside educational institutions provide specialised trainings. Management supports training programs, co-shapes, and takes part in them as well as reinforces work standards and safety culture.

Employee Development Dialogue

Management maintains effective direct communication with employees, consistently monitoring and directing their potentials and job performance. They create motivating workplace and conditions for optimal employee development by holding an effective and equal dialogue which evaluates the past, plans the future, and thus successfully connects the work of all of us.



4. Occupational Safety and Health

Zero Occupational Injuries and Illnesses

Our goal is that every employee works in a safe and healthy workplace. Believing that injuries at work and occupational illnesses can be prevented, we act in a preventive manner to improve employee awareness, work practices, and knowledge. We are attentive to working conditions and always take safety measures to avoid risk. Leaders also introduce necessary measures for the health and safety of our workers. We work in a safe manner and in compliance with contemporary standards and procedures. And we assure equal working conditions to contractors.

Preventive Health Measures

To preserve health, physical, and psychological well-being and prevent psychosocial risks, we take care of healthy and safe workplace under all circumstances (during the plant operation, outage, emergencies; pandemic and epidemic diseases and other natural disasters), encourage good relationships, assure quality healthcare of employees, and support them to maintain a healthy lifestyle by taking special preventive measures.

Drug-free Workplace

Taking, distributing, selling or possessing of drugs, alcohol or other controlled substances within NEK is prohibited. Access to NEK under the influence of alcohol or drugs is forbidden. Full compliance with the restrictions in this area is monitored by periodic medical examinations, safety vetting and identification testing. Any illegal substance abuse will result in formal disciplinary proceeding.

Medical Treatment

Every employee to whom a doctor prescribes medicine for health reasons is obliged to consult his doctor on the effects that such medicine has on his capacity. If any adverse effects exist, the employee shall inform his superior about them.

Workplace Health Promotion (WHP)

Workplace Health Promotion program aims to improve lifestyle and consequently improves health. Recreation, holiday homes, and active health promotion are provided for NEK employees.



5. Business Ethics

Legality of Work

The success and reputation of NEK are built on the legality of work. We consistently comply with all regulations and regulatory restrictions on our field of work as well with on-site programmes, administrative and operating procedures. Every employee must familiarise himself with the laws and on-site procedures falling within his work scope.

Business Gifts

We refuse to conclude business deals in a morally controversial manner. We don't tolerate bribery of any kind and neither accept nor offer gifts which exceed normal business customs. Money, travel arrangements, and services will be considered unacceptable. If you are in doubt whether the offered gift is allowed or not, consult the appropriate department.

Conflict of Interests

At work we should not give priority to our personal interests over the interests of NEK. We must avoid any activity, interest or investment which could affect our best judgement or work obligations in the interest of NEK. Neither we, nor our family members are allowed to

- act as a supplier for NEK, represent a supplier in business with NEK or be a member of its management board;
- have financial interest in organisations or companies NEK conducts business with in case they result in a conflict of interest;
- use NEK resources including devices, computers, phones, tools, etc. for personal needs.

Anticorruption Clause

NEK uses the following anticorruption clause in its contracts:

“Contracting parties shall not give, promise, offer or receive any gift or payment either in cash or in any item of value, directly or indirectly to each other, through any worker, officer or other employee for the purpose of bribery thus abusing their position and/or asserting influence on others’ decision-making. In the event of breaching or attempting to breach the anticorruption clause, the concluded or valid contract is null and void; if the contract has not been valid yet, it deems not to have been concluded.”

Corruption is considered when we as a purchaser, negotiator, signatory or responsible work performer either request or accept gifts and other benefits from a contracting authority.

Donations

At NEK we act responsibly toward the wider society. Our strength lies in our honesty, transparency, mutual help, understanding, and trust. We are especially attentive towards local area. We direct our donations to humanitarian aid.

6. Corporate Resource Management

Intellectual Property

NEK uses proprietary information and professional expertise for business purposes only and for the exchange of information and experts in professional organisations, associations, and international missions and safety committees. Scientific, educational, and technical presentations such as technical drawings, sketches, work processes, expert opinions, presentations, etc. are copyright protected.

Financial Resources

Ensuring competition in the NEK’s electricity generation on electricity market is one of our strategic goals which ensure long-term perspective. Employees, within their jurisdiction, strive for permanent rationalisation of production, efficient equipment and systems, increase in personal productivity, and for justification of orders and investments.

Material and Capital Assets

NEK employees are required to handle the company property in a responsible manner with the principles of economy and adopt appropriate measures to protect the NEK’s property against damage, loss, misuse or theft.

Information Technology (IT)

IT is only used for legitimate business purposes. IT capacities and tools such as electronic mail, internet, mobile phones, laptops, printers, copying machines are in principle not utilised for personal gain or use. Authorised persons shall regularly make backup copies of computerised data. As the users of IT, we comply with the following

- adequately protect computer passwords for access to databases, applications, and other INFO-services;
- only use the software we are authorised for;
- only run the software related with work;
- don't install or upgrade a new software unless authorised to do so;
- don't browse banned and potentially harmful websites related to gambling, drugs, terrorism, porno, religious, and other intolerance, etc.;
- don't browse workstation contents of other users; such browsing, about which the user is notified, is only allowed to authorised persons and superiors;
- don't relocate PCs and peripheral equipment without the knowledge of authorised persons.

7. Environmental Protection

Complying with Environmental Regulations

NEK employees act responsibly and foster the attitude of respect for natural environment. During the plant operation, we protect the environment and restrict releases and adverse health effects. We realise our concern for the environment by strict compliance with regulatory restrictions and contemporary standards.

8. Information Protection

Information Property Protection

Information owned by NEK is an important acquisition for NEK. We handle hard copies and digital information with care and protect them from loss and theft. Important information is as follows: technical documentation, operating records, security plan, defence plan, nuclear safety mission reports, tenders, contracts with suppliers, business documentation, and databases.

Responsible Information Handling

We are aware of the risk of uncontrolled distribution of the NEK's information. By protecting the confidentiality of documentation, we use the IT systems having regard to the instructions of the Business Information Department. In this way, we prevent access to data and/or information technology and its theft.

Personal Data Protection

We understand personal data protection of employees and business partners as the protection of human personality. We handle personal data in accordance with regulations and internal documents. In principle, Human Resources is responsible for protection, collection, and processing of personal data; necessary measures were introduced for the protection of data also in areas of work in which personal data are processed.

9. Public Relations

Information Credibility

Communication skills are an important component of our work. Our operating and business activities are transparent for employees, nuclear professionals, and the general public. We provide information to different public immediately when available in a systematic and trustworthy manner through our authorised professionals according to internal business rules.

Employees are aware of the public interest in all the aspects of the plant operation owing to the nature of nuclear technology. We know that our positive actions are a step toward maintaining and upgrading the needed public trust, therefore our ethical behaviour will reinforce the company's positive reputation; we should avoid making comments that we are not authorised to make.

Information Sensitivity

NEK is the only nuclear power plant in Slovenia; the plant therefore plays a role in an exposed political and delicate media spheres of the global industry – nuclear energy. Special features of nuclear energy such as nuclear safety, exposure to ionising radiation, and radioactive waste disposal always catch the public's attention. We face the challenge of effective forwarding of information on the benefits of nuclear energy such as the stability of the electrical energy supply, economic efficiency, sustainable availability, environmental benefits, local developments, etc. We realise that the information we provide is immediately available locally, nationally, and internationally. Social networking also offers new challenges and opportunities.

Proactive Communication

We are aware of the importance of proactive communication for the public acceptance and respect. We inform the public in a proactive and trustworthy manner, on the basis of facts, timely, and in their own language. In addition to operating events, we inform about positive aspects of NEK operation and nuclear power in a broader sense. Our target audience are internal public, media professionals, local communities, political parties, educational institutions, professional organisations, associations, etc. We organise meetings for important target groups. The PR Department communicates with the news media representatives and responds to their questions as well as questions of other interested parties. Thus, we reduce the likelihood of rumours and false information. We take part in youth educational programmes in the field of energy awareness.

Internal Communication

We offer effective onsite information flow such as *Goals and Commitments of NEK* and departmental implementation plans. The essential way of communication is a face to face communication based on the stated values and supported by modern communication tools. Being aware of the role of employees in the “outside” world in building the company's image, we inform them of the operating results and interesting information which are submitted to the general public.

Informal Communication

We should be aware that we, the employees, are ambassadors of our company. In informal information exchange also, we will talk respectfully about the plant and in the manner, which maintains and builds our image. We will therefore think before we speak and remain objective because our behaviour and work performance have a direct impact on the perception of the general public.

10. Security of NEK

A threat of potential harmful acts by individuals or groups poses a major risk to commercial nuclear energy facilities. The Security Department covers a wide range of prescribed measures and tasks to ensure the physical security of NEK with a focus on the use of modern equipment and high-skilled and professional employees. We, the security officers, are professionally friendly; however, we refrain from unnecessary conversations with employees and ourselves when on duty because it could disturb our concentration and affect the quality of our work. Either at NEK or outside NEK, every NEK employee is attentive to deviant behaviour that could signal a potential for violence. We report any such deviations to the NEK's Security.

11. Relationship with Business Partners

With suppliers and service providers, we build a partnership, taking into account legal restrictions. At NEK, we guarantee equal participation of suppliers and service providers from Slovenia and Croatia that meet the conditions of qualified operators in nuclear power plants. We select them on the basis of the defined conditions and criteria. We expect suppliers and service providers to comply with the *General Terms and Conditions* of NEK for specific areas and with the QA requirements. On the basis of the QA plan, we verify their qualification.

Anticipated Conduct of Business Partners

At NEK, we expect from our business partners to comply with the principles of ethical and moral behaviour. They shall act in accordance with the core and personal values as well as the principles of conduct and action per this *Code* and adopt at least equivalent standards, and operate pursuant to them and the applicable law in force.

They are obliged to acquaint their workers, suppliers, and service providers with the expectations of NEK.

Appropriate Working Conditions

Service providers shall ensure adequate health care, working conditions and remuneration to their workers.

Service providers shall ensure the safety of their employees, periodic training, and adequate work equipment in compliance with the law.

Environment

They shall apply the environmental standards in force and the principles of sustainable environmental management and protection.

Business Integrity

Business partners shall comply with the law and fair competition standards. They shall not conclude agreements and deals which would affect price or conditions, or which would restrict competition.

They shall object to any form of corruption and economic crime, including the payment of reliefs and privileges.

They shall abide by the law on the protection of personal data and protect the business secret of NEK.

They shall ensure the integrity as well as proper and economic use of the NEK's property to which they have access or have an impact on.