


CODE OF ETHICS

Manual for Ethical and Legal Standards of
Employees in ENERGOPROJEKT OPREMA a.d.

STANDARD SR – 10

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	Edition:02		Date: February 2019.
			3-10-0.01-01

1. Introduction

Code of Conduct or Code of Ethics is a set of ethical norms and standards on behavior which determine the initial principles regarding legal and ethical conduct of corporative culture that are required and expected of the employees of Energoprojekt Oprema a.d.

The basis of business ethics is acting in accordance with the laws of the Republic of Serbia, good customs and practices. Such behavior includes providing truthful, transparent information, honest approach towards competition, employees, investors, suppliers, partners as well as focusing on social responsibility and sustainable development.

If a business organization is not ethical, it can't be responsible, and that is why ethical behavior is a necessary precondition for the development of a socially responsible business environment.

Knowledge on business ethics helps us cope with the ethical dilemmas we encounter daily. In critical situations, even the person without bad intentions can make a wrong decision. Business ethics contributes to a successful business and to our own development.

The Code applies to all employees who are required to adjust their behavior to standards stipulated in this document, as it often happens that the behavior of one employee can draw conclusion about the whole organization. Apart from that, the behavior of each employee has a significant impact on the entire working environment within the company, so work behavior cannot be treated as a private issue, it represents personal and professional obligation of every employee.

The purpose of establishing the Code of Ethics is:


- Avoiding employee's involvement in unethical behavior or cause of conflict of interest during operating
- Defining acceptable behavior for all employees
- Setting high standards of operation and performance
- Providing framework and rules for professional behavior and appointing clear responsibilities, decision making and activity implementation
- Defining framework and behavior that the stakeholders expect from Energoprojekt Oprema a.d.

This Code of Ethics applies to all employees in Energoprojekt Oprema a.d., regardless of their responsibilities and position, serving as a guidebook to an ethical behavior and determining fundamental values in terms of legal and ethical business conduct and behavior.

2. Behavior of employees

Energoprojekt Oprema a.d. strives to provide a positive working environment that allows team work and encourages a working atmosphere filled with mutual support and cooperation. Employees must treat other employees with politeness and respect.

It is not allowed to put personal relations before the interest of the job; the priority of all employees should be solving mutual business tasks. Relations between employees at different levels of responsibility must be based on mutual loyalty and respect, always applying the principles of confidentiality. All employees are required to act, within their areas of expertise, impartially, objectively and in a balanced manner, taking into account the interests of other employees. Energoprojekt Oprema a.d. does not approve the usage of position within the organization to achieve any goals that are beyond the function framework.

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Employees are expected to cooperate with their superiors and act in accordance with the operational guidelines they received from them, avoiding unprofessional actions and behaviors.

Employees with special authorizations are responsible for all employees within their organizational unit, and they have to earn their trust by exhibiting exemplary behavior, work results, openness and social competence. Their task is to define and set out before the employees clear, ambitious and realistic goals, with maximum responsibility and independence of every employee at work. Within their performance, they are obliged to objective evaluation of employee engagement.

Employees with special authorizations must fulfill their organizational and supervisory obligations through:

- Selecting the employees - carefully according to their personal and professional competence, pursuant to the Employment Procedure within their organizational unit
- Assigning clear tasks, precisely, completely and fully binding
- Control - regularly controlling the fulfillment of assigned tasks to all deadlines and acting according to legal regulations.

Employees are required to build an atmosphere at their workplace in accordance with the mentioned values and they must cooperate as a responsible team, constantly improving interpersonal relationships.

Rude behavior, harassment or discrimination based on age, gender, religion or political beliefs or political inclination, ethnic or national origin, linguistic or racial origin, social status, marital or family status, education, disability, sexual orientation or any other issue are forbidden by law and constitute a serious threat to an individual's dignity and a violation of human rights.


While performing private business, the employees of Energoprojekt Oprema a.d. may not use official designations or the workplace authority in Energoprojekt Oprema a.d.

In all forms of public appearances and performances where Energoprojekt Oprema represents and sets forth the views of the Company strictly as an authorized representative, employees are required to act in accordance with regulations, received authorizations, professional knowledge and provisions of this Code of Ethics.

In everyday situations, behavior that is in accordance with generally accepted rules of decent conduct is expected, such as:

- Punctuality regarding coming to work and meetings, as well as keeping to agreed deadlines and respecting the time of other employees
- Not leaving workplace if not necessary or announced
- Not performing private business during working hours
- Having appropriate working attire, high standards of personal hygiene and tidiness
- Cleanliness and tidiness of working environment
- Polite manner of communication
- Appropriate addressing of people
- Apologizing and troubleshooting
- Avoiding and actively preventing fights or conflicts
- Discretion – avoiding any participation in rumors, gossiping or any other type of negative and harmful communication
- Maintaining decent yet somewhat distant relationships

Regulated in the 8.08 Procedure – Employee Workplace Harassment Prevention

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3. Loyalty

Employee loyalty means taking care of business interests and company goals at every place and in any occasion, both during and outside working hours.

Loyalty also includes not performing private business (negotiating, consulting, producing, implementing etc.) out of work domain and planned company goals.

4. Obeying Laws and Standards

In case of failure to perform duties defined in the Employment Contract, must bear the consequences regardless of legally prescribed penalties.

In its operations, Energoprojekt Oprema a.d. applies the following basic principles and values:

- Legality in business
- Focus on the client
- Professionalism
- Initiative
- Mutual respect among employees
- Equality
- Team work
- Integrity
- Confidentiality

Energoprojekt Oprema a.d. strives to achieve the highest possible standards in its operations by adhering to the following:


- All employees in Energoprojekt Oprema a.d. must adhere to legal regulations, as well as standards of Energoprojekt Oprema a.d.
- Operations that are not in accordance with the law, regulations or standards are not acceptable to Energoprojekt Oprema a.d. even if other organizations and competitors are practicing them.
- All employees, regardless of their hierarchy level are subject to disciplinary responsibility. Every employee can have a disciplinary proceeding initiated against them, for justifiable reasons.

Regulated in the 6.02 Procedure – Personnel Management Procedure

Instructions 3-6 02-01 – Disciplinary Proceedings against Employees

5. Responsibility for the Company's Reputation

Acting, performance and behavior of each employee greatly affects the reputation of Energoprojekt Oprema a.d. Even the misconduct of only one employee may cause damage to the Company. This is why it is expected of every employee to take into account the social reputation of the Company and to perform their duties in a manner that would not cause damage to the Company's reputation.

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a. Respect of Personal Dignity and Integrity

Employees in Energoprojekt Oprema a.d. must respect personal dignity and privacy rights of every individual, regardless of their gender, nationality, culture, religion and skin color.

As a reliable and responsible partner, Energoprojekt Oprema a.d. only makes promises that we are truly able to keep. These principles apply to both collaborations within our Company, and relationships with our partners, investor, suppliers and the public.

Energoprojekt Oprema a.d. respects human rights in accordance with the Constitution of the Republic of Serbia and other laws, as well as international legal acts.

Force labor, theft, theft of wages and child labor are by no means permitted, as defined in the laws of Republic of Serbia.

b. The Principles of Management, Responsibility and Surveillance

Every executive must gain the trust of employees based on his/her own exemplary behavior, work results, openness and social responsibility.

Executives delegate clear, ambitious and realistic tasks to the employees and require maximum responsibility from them, while leaving space for them to achieve their objectives.

Trust between executives and employees must be at such a level that every employee may at any time turn to him/her for help, in the event of both business and personal problems.

Every executive must meet his/her organizational and supervisory obligations. He/she is responsible to not allow any violations of law or internal procedures in his/her operational unit that could have been prevented or impeded by a timely intervention.

c. Confidentiality of Internal Information

Internal information is all information that is not familiar to the public. Apart from data related to clients, all information from personnel records of employees are also considered confidential, including the amounts of wages and salaries.


Internal information must not be disclosed without authorization to persons outside of Energoprojekt Oprema a.d. (e.g. to journalists, analysts, buyers, consultants and friends).

Regulated in Procedure 27.01 Information Safety Management

That information within Energoprojekt Oprema a.d. may be disclosed only if the recipient truly needs that information in order to perform his work duty.

Also, internal information needs to be kept in such a manner that unauthorized persons cannot have an access to it. Apart from that, it should be taken into consideration that executives can personally be held liable for damages if any employee commits violation against internal rules, in the event where that damage could have been prevented had the appropriate supervision and/or internal procedure been implemented.

All data on persons applying for work in Energoprojekt Oprema a.d. either by sending an open proposal or through applying to job contest, are strictly confidential and may not be used for other purposes except if used by their own choice.

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d. Conflict of Interest

The interests of employees in Energoprojekt Oprema a.d. may not come into conflict with the obligations they have in Energoprojekt Oprema a.d. or that Energoprojekt Oprema a.d. has to its clients, investors, suppliers and the public.

When performing their duties employees are obliged to separate their private interests from their business interests.

For the sake of efficient and honest performance of their duties, employees must not come into conflicts of interest. Such conflicts may occur if an employee works for another business organization or has a stake in it. Therefore, the following rules apply to all:

- **Unfair Competition Clause**

It is forbidden to manage a company that is in complete or partial market competition with our Company.

- **Performing Supplementary Activities**

Employees must inform their supervisor in writing that they will be performing supplementary activities for which they will receive compensation or earnings.

Supplementary activities may be forbidden if they lead to a decrease of work performance, if they oppose their duties in the Company or if there is a danger of conflict of interests occurring.

The following circumstances are subject to approval:

- If the employee in Energoprojekt Oprema a.d. personally, as a private entity, engages in a transaction that Energoprojekt Oprema a.d. is also engaged in
- Negotiations or conclusion of contracts in the name of Energoprojekt Oprema a.d. with the subject that is a part of the family of the employee working in Energoprojekt Oprema a.d. or his relative, friend or a third party that the employee is close with and that the employee in Energoprojekt Oprema a.d. could benefit from.

Supplementary activities and engagements outside working hours in Energoprojekt Oprema a.d. the employees may perform only if their private and business interests are not in conflict with the interests of Energoprojekt Oprema a.d.

6. Gifts


Gifts, business representation or similar benefits are often accepted as a legitimate and accepted part of business life.

However, problems occur when their value causes a conflict of interests and in that way they start endangering the ethics of a business relationship.

This is why it is a general rule that employees are not allowed to accept gifts or other benefits, except those of symbolic values. Receiving gifts is allowed if:

- Their value is less than 20 EUR or
- If the gifts are worth more than 20 EUR but are considered usual within the professional occasion when they were given or
- If they were approved by a person responsible for compliance monitoring

Employees of Energoprojekt Oprema a.d. may use assets for representation or accept usual business representation or hospitality in accordance with the circumstance, with the condition that the host representative is present and that it is related with performing duties in Energoprojekt Oprema a.d.

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In case of any dilemmas related to aforementioned criteria, employees must consult their immediate superior or person responsible for compliance monitoring

Employees of Energoprojekt Oprema a.d., regardless of the relationship in question, may not accept money and similar equivalents.

7. Handling of Company Property

Appliances and equipment in sectors, departments, storages, workhouses, construction sites, open spaces and other premises of the Company (such as: phone, copy machine, personal computer including software and internet/intranet, tools) may be used only for official purposes.

Exceptions are regulated by a special decision of the Company's supervisor.

When it comes to information technology equipment, it is highlighted that downloading and forwarding information that stir up hatred towards other races, that encourage violence, sexual and promiscuous behavior or any other criminal acts or content that our culture considers to be immoral, are strictly forbidden.

Regulated in Procedure 27.01 Information Safety Management

8. Handling of Information

a) Records and Reports

An encompassing, timely and reliable reporting is necessary for a fair and efficient cooperation. That applies both to relationships with investors, collaborators, buyers, business partners and to relationship with the public and all state bodies. All records and reports that are done internally and forwarded outside of the organization must be proper and truthful. In accordance with the principles of orderly accounting, data and other records must always be complete, accurate, timely and in line with the law. The rule of authentic data also applies to the cost settlements (travel, etc.) and other rights that employees have towards the Company.


b) Keeping secret

Internal business and information of the Company that have not been revealed to the public must be kept secret. That applies, above all, to the details of the Company's organization, business procedures, implementation data, project statuses data, numeric data of internal reporting, the employees' personal data, their material rights, statuses and relations with business partners. The obligation of keeping that data secret applies even after the termination of employment.

It is forbidden and strictly punishable any disclosure of information on business events or disclosure of business information to persons outside of the Company, as well as persons inside the Company that are not authorized to dispose of such information. This also applies to spreading information, especially untruthful and malicious, about both the employees within the Company, and the business partners and competition.

c) Data protection and safety

An essential precondition for productivity of employees and for business success generally, is the access to internet and intranet, a global electronic exchange of information and electronic way of operating. Advantages of electronic communication are related with some risks too, given the privacy protection and data safety.

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An efficient prevention of those risks is the IT-management, management control and control of each individual's behavior. Personal data may be requested, processed and used only if it is necessary for pre-determined, clear and legal purposes.

When it comes to personal and confidential data and technical protection against unauthorized access, high standard measures are applied. For people from whom their personal data has been requested, it must be transparent and clear for which purpose the data is being used, and their rights to information and its correction, or even to an objection, blocking and erasing the data must be guaranteed. All employees are obliged to comply with internal procedures related to work on the internet or intranet, as well as the usage of information technology equipment and software, especially in the area of the Company's data protection.

Regulated in Procedure 27.01 Information Safety Management

9. Disciplinary proceeding

Employees of Energoprojekt Oprema a.d. or any other person who has reasons to believe that a violation of this code has occurred or that it might happen, are required to report the person responsible for compliance monitoring.

All such reports will be treated confidentially. The person in charge of compliance monitoring must examine the report, and if he/she, based on submitted and collected data, concludes that the report is justified, he/she is required to inform the management of Energoprojekt Oprema a.d. as soon as possible.

Since the violation of ethical norms and behavior that opposes the regulations of this Code of Ethics represents the violation of employment obligations, the management shall decide on the severity of violation and sanctions for the person or organization unit that the report refers to, in accordance with the legal regulations and internal acts of Energoprojekt Oprema a.d.

The person in charge of compliance monitoring shall submit a response concerning the course of the proceeding no later than 30 days from the date of filing the report.

Regulated in Procedure 6.02. Personnel Management Procedure

Instructions 3-6 02-01 – Disciplinary Proceedings against Employees

10. Inspection and Control

Inspection and control of the principles of professional behavior within Energoprojekt Oprema a.d. are duties and obligations of all employees. Responsibility within inspection and supervision of inspection increases with the level of authority that the individual has.

This act is drafted with a goal to improve corporate responsibility and the culture of our employees, which will surely affect the professional efficiency and social reputation of Energoprojekt Oprema a.d.

Accordingly, all employees of the Company are obliged to consistently implement and comply with the accepted principles of professional behavior.

11. Training and Career Development

Energoprojekt Oprema a.d. supports the training of its employees. It invests in training and their education with a goal to ensure career development of employees and increase productivity and knowledge.

Regulated in Procedure 6.01 Professional Training, Awareness and Competence

12. Membership in Trade Unions and Collective Agreements

Employees of Energoprojekt Oprema a.d. are members of Union Organization Energoprojekt Oprema a.d.

Rights and obligations of employees are regulated by the Collective Agreement.

Discriminatory measures may not be taken against members of the union and employees' representatives in the union, in accordance with the Labor Law of the Republic of Serbia.

13. Environment, health and security

Environment protection and preservation of natural resources are high priority social goals for our Company. During the drawing up of plans, it is important that the technical solutions are not harmful to the environment, safety and health at work.

Every employee has the highest possible responsibility in relation to associates and colleagues and has to take prevention measures against accidents at all times. This applies both to the implementation of technical activities on project and to positions related to safety and personal behavior at the workplace. Working environment has to be formed so as to take care of the employees' health. Every employee must constantly pay attention to safety and health at work and consistently abide by legal and internal instructions and restrictions.

Regulated in procedures:

14.01 Defining Aspects of Environment and Effects on the Environment

14.02 Planning and Implementing the Environment Protection Program

18.01 Risk Estimation at Workplace and Working Environment

18.02 Safety and Health Risk Management

50.01 Management of Energy


14. Complaints and Remarks

Every employee is required to present his/her personal complaints to their immediate superiors or to point out to circumstances that lead to violation against this principles of professional behavior. All such complaints or remarks shall be investigated and, if needed, appropriate measures shall be taken. All documentation relating to that shall be kept and treated as confidential.

This Code of Ethics shall be published on IMS Portal.

All new employees of Energoprojekt Oprema a.d. must be acquainted with the content of this Code of Ethics.

Energoprojekt Oprema a.d.



Vladan Pirivatrić, dipl. ing.
Managing Director