

**T O G E**

**CODE OF  
CONDUCT**

**T H E**

**R 2019 T O**

**E X C E**

**L L E N**

**C E**

**Nova KBM d.d.  
and Nova KBM Group**

# Code of conduct of Nova KBM and Nova KBM Group



Together to excellence.



Family  
Friendly  
Enterprise



Dear Colleagues,

Our vision is to become the best bank in Slovenia by 2020. As we embark on this path, it is of highest importance that we design a positive corporate culture, as we the employees are the ones who can contribute the most for our story to have the successful ending we desire.

Our reputation is a reflection of everything we do. Our corporate culture and our actions build and shape the trust of our customers, owners, business partners and other stakeholders, and improve our partnerships. By making our partnerships even better, we build a successful brand and expand our base of satisfied customers.

This is why all employees need to act in concert in striving towards excellence as a permanent commitment to achieving the best. The best for ourselves, our customers, our owners, and the company as a whole.

This time we wish to introduce to you responsibility as one of the drivers of excellence. Responsibility towards ourselves, our owners, and our customers. By acting responsibly, we can and will be successful in our private and professional lives.

We brought these and other values together in this Code of Conduct, which is the most

important internal document of both Nova KBM and the Nova KBM Group, as well as the fundamental document describing our corporate culture and values. It provides guidance for how we, as employees, shall act in certain circumstances and during various opportunities that may arise in our business practice. It is associated with the vision and mission of Nova KBM and the Nova KBM Group and forms an important component of their governance, development and risk management processes.

When we live our values and act in accordance with our Code of Conduct, we demonstrate our broader responsibility towards all our stakeholders, and contribute to positive changes in our stimulating work environment as well as in the wider economic, social and natural environment.

We continue to connect the performance culture and achievement with the culture of responsibility. We are already proving that we are responsible for our actions and are focused on a successful tomorrow.

**John Denhof,**

President of the Management Board

A handwritten signature in black ink, appearing to read 'J. Denhof', written in a cursive style.

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1.0

# About the code of conduct

## WE FOLLOW THE CODE AT ALL TIMES

This Code of Conduct of Nova KBM and Nova KBM Group (hereafter: the Code) outlines the principal ethical standards, values and rules of conduct in which we as employees of Nova KBM and the Nova KBM Group (Nova KBM and the Nova KBM Group are hereafter collectively referred to as 'NKBM') believe and which we pursue in creating the corporate culture of NKBM.

## THE CODE APPLIES TO ALL OF US

The provisions of the Code are morally and legally binding for all NKBM employees. The Code defines what is regarded as acceptable and unacceptable behaviour of employees of NKBM across all of its governance, hierarchical and organisational levels.

Provisions of this Code were approved by the Nova KBM Management Board and apply to all NKBM employees.

Each member of the Nova KBM Group is obligated to appropriately implement the provisions of the Code, taking into consideration its own corporate size as well as its organisational and business structure. Any deviation from this rule applicable to the implementation of the Code must be notified to the Ethical Compliance Officer at Nova KBM's Compliance Office.

## ZERO-TOLERANCE FOR CONDUCT COUNTER TO THE CODE

As described herein, NKBM enforces a zero-tolerance policy against the actions of employees and other individuals that may either have a negative impact on NKBM's reputation or are unacceptable from a legal, moral or ethical perspective.

## EXTERNAL STAKEHOLDERS RESPECT THE CODE AS WELL

The Code is also an important guidance for our external stakeholders, business partners, vendors/suppliers, associates and others, as we wish to strengthen our relationships with stakeholders who respect our rules of conduct, ethical standards and values.

## OUR ACTIONS IMPACTS OUR REPUTATION

Although the Code covers a number of important ethical issues, it cannot anticipate all possible circumstances or determine the appropriate conduct for all situations. In situations not covered by the Code, we should act with the best intentions to protect the reputation and integrity of NKBM and its stakeholders

Compliance with the Code is easiest to ensure by using good judgement and seeking guidance when questions arise.

## WHEN IN DOUBT, ASK

All NKBM employees have the right to consult directly with the Ethical Compliance Officer at the NKBM Compliance Office, who can provide advice and act in line with the rules and values outlined in the Code.

The Nova KBM Group comprises Nova KBM and its affiliates (subsidiaries, associates and joint ventures).

2.0

# **Our vision, mission, values and actions**

**VISION:**

**Nova KBM will  
become the best  
bank in Slovenia  
by 2020.**

**MISSION:**

**Nova KBM is successfully implementing the tasks adopted under the following five strategic pillars:**

- Growth and profitability,
- Excellence in customer service,
- Effective risk management and business compliance,
- Operational efficiency,
- Organisational culture and the development of employees.

**CORE VALUES:**

1. EXCELLENCE
2. RESPONSIBILITY
3. LOYALTY
4. INTEGRITY
5. HONESTY
6. TRUST



## ACTIONS:

We follow the needs of our customers.

We take responsibility for our actions.

We are precise, diligent, sincere and truthful.

We act honestly and in line with our values, ethical and moral standards, and the law.

We are a trustworthy partner.

We provide customers with professional and useful solutions.

We warn customers about possible risks.

We protect personal and confidential data of all stakeholders.

The Bank creates an environment conducive to employee development.

Employees regularly take part in training.

We strive for dialogue.

We are respectful, professional, readily available, and neat in appearance.

We strive for NKBM to be successful,

We identify and remedy violations and irregularities.

## WE AIM TO DO WHAT IS RIGHT.

## WHEN IN DOUBT, ASK YOURSELF THE FOLLOWING:

- Is the action legal?
- Is the action consistent with the provisions of the Code, values of NKBM, and its applicable and internal regulations?
- Am I sure that the action will not harm NKBM?
- Would I be proud to report this action to someone I respect?
- How would I feel if the media reported on this action?
- Would I be willing to accept full responsibility for this action?

If your answer to any of these questions is 'NO' or 'I AM NOT SURE', you should seek further instructions from your superiors or the Ethical Compliance Officer at NKBM's Compliance Office.

### 3.0

# Core values and beliefs

We build and strengthen our corporate culture by pursuing positive values that determine our actions, decisions and good practices.

We create an environment that welcomes open communication and everyday challenges, and have the responsibility to act, especially when detecting conduct that is counter to the Code.

**E X C  
E L L  
E N C  
E**



3.1.  
**EXCELLENCE**

We channel all our skills and experience towards providing the best possible service for our customers. We create an environment where employees are provided with regular development and training focused on generating constant improvement of the efficiency and competitive advantages of NKBM, as well as the benefits for our customers and other stakeholders.

We demonstrate our personal excellence towards our colleagues through enthusiasm, communication and teamwork. We treat our colleagues as our internal customers and look out for everyone's best interest.



### 3.2. RESPONSIBILITY

We are responsible for our own actions. Everything we do and how we do it has an impact on NKBM's reputation. We honour our assignments, deadlines and goals.

We provide customers and colleagues with professional and useful solutions and advice, while at the same time warning them about possible risks. We try to resolve any disagreement, confusion or dissatisfaction in an active manner and protect the integrity and assets of NKBM.

R E S  
P O N  
S I B  
I L I  
T Y

L O Y  
A L T  
Y



### 3.3. LOYALTY

We strive for NKBM to be successful through teamwork, sincere and honest communication, mutual respect and constant training. We make sure our private activities do not harm NKBM.



### 3.4. INTEGRITY

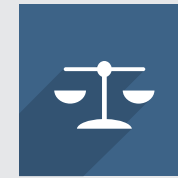
NKBM employees follow the highest standards of professional ethics. We act in a diligent and fair manner and our actions are consistent with our other values, ethical and moral standards, rules and applicable regulations.

We don't accept double standards or any exceptions. We place great emphasis on recognizing and preventing prohibited behaviour in order to reach the highest standards.

We identify and remedy any violations and irregularities and set up a system to prevent them in the future. We nurture our customers' trust. We follow and enforce a zero-tolerance policy towards any kind of prohibited behaviour.

I N T  
E G R  
I T Y

H O N  
E S T  
Y



3.5.  
HONESTY

We are precise, diligent, sincere and truthful. We refuse any use of unfair business practices or practices that may mislead our colleagues, customers, business partners, and others.

We try to avoid any conflicts of interest and circumstances that could affect our impartiality and honest work.



3.6.  
TRUST

In our work we are respectful, professional, diligent and meet the promises given that were previously aligned with NKBM's goals and rules.

We communicate clearly and understandably what is allowed and what is prohibited. We protect the personal and confidential data of all stakeholders. We are a reliable partner.

T R U  
S T



4.0

**We produce  
the best  
results  
together**

4.1.

## Internal communication

We communicate with each other respectfully, professionally and efficiently, thereby contributing to a positive corporate culture and the attainment of common goals. We encourage dialogue and the exchange of opinions, initiatives and ideas. Various internal communication tools (e.g. telephone, e-mail, meetings, intranet and internal newsletters) shall be used to communicate with each other. We react quickly and in an appropriate manner. When we are away, we ensure that our colleagues are notified of our absence, and we respond to any communication as soon as possible after returning to the office. Our knowledge and skills about internal communication are being continually nurtured, developed and upgraded.

4.2.

## Prohibition of discrimination

NKBM provides equal employment opportunities to all adequately qualified persons and does not discriminate on the basis of nationality, citizenship, political orientation, religion, age, marital status, sex, sexual orientation, sexual identity, disability or any other status. Bullying, mobbing and any other forms of ill-treatment in the workplace are prohibited.

4.3.

## Obligation to comply

We are obligated to act in accordance with the applicable legislation and internal regulations. Compliance of employees' actions with the provisions of the Code forms an integral part of the contractual obligations of each employee.

4.4.

## Coordinating private and professional life

Nova KBM strives to create a work environment where all employees can be productive at work and satisfied with their performance despite their family obligations.

Efficiently balancing personal and professional life requires mutual cooperation and trust. With this in mind, Nova KBM launched the process of obtaining the 'Family Friendly Enterprise' certificate and was awarded the basic certificate in 2011, followed by the full certificate in 2015.

5.0

**Our actions  
impact  
the bank's  
reputation**

5.1.

## Protection of reputation

Reputation is an important part of NKBM's assets and we are obligated to act as its guardians. We always act in such a way as to avoid damaging the reputation of NKBM, and preserve, protect and strengthen it, considering the applicable professional and ethical standards. We act in accordance with our common values and comply with the rules of proper conduct and communication. We have a responsibility to recognise, and as far as possible to control, any threats that could adversely affect the reputation of NKBM. As its employees, we are also obligated to protect the reputation of NKBM during our leisure time by refraining from activities or functions that may have a negative impact on NKBM's performance or reputation or give the impression of abuse of power.

### EXAMPLE:

Q: Can I post an indecent photo or comment on social media?

A: No. Employees are obligated to take care of NKBM's reputation in our leisure time as well.

5.2.

## Conflicts of interests

A conflict of interest is a situation where private interests of an employee influence or appear to influence the impartial and objective performance of his/her duties.

It is the responsibility of each of us when performing our duties to pay attention to any actual or potential conflict of interest and to do whatever is necessary to avoid it.

We shall not use our positions or work at Nova KBM to advance our personal interests or the personal interests of other persons.

Members of the Nova KBM Group are obliged to incorporate the rules governing conflicts of interest into their internal documents to a reasonable extent.

### 5.2.1 Private interests of employees

It is forbidden to perform duties in a situation where the private interests of an employee influence or appear to influence the impartial and objective performance of his/her duties.

When engaging in private external activities, NKBM employees should never create the impression that we are acting on behalf or for the account of NKBM.

### 5.2.2 Private financial transactions

We must refrain from carrying out private financial transactions that could threaten our impartiality and independence, or transactions which constitute or could constitute conflicts of interest.

In any private financial transactions NKBM employees must act as good and diligent managers and avoid excessive borrowing.

### 5.2.3 Personal relationships and related persons in the workplace

Personal relationships in the workplace may give rise to conflict of interest. We must therefore be careful to avoid any such situation.

Personal relationships between Nova KBM employees are not forbidden, nor is

it forbidden to hire a person related to an employee, but we must ensure that the employees personally related to each other do not perform their work within the same organisational unit and, if possible, not even within the same organisational division of Nova KBM. In order to effectively manage conflicts of interest within Nova KBM, we must notify the Compliance Office regarding whether any person related to us is employed at Nova KBM, and in which position. The definition of related persons for the purpose of this Code is provided in the note below.<sup>1</sup>

Information about related persons is protected as confidential and in accordance with the applicable legislation and is processed by the Compliance Office only with the purpose of effectively managing conflicts of interest.

As part of the recruitment process and prior to the selection of any candidate, the Human Resources Department is obliged to obtain from each job applicant information about whether any person related to him/her is already employed at Nova KBM.

Considering their respective organisational structures, members of the Nova KBM Group other than Nova KBM are obliged to incorporate into their internal documents the rules governing the performance of work of related persons within the same organi-

<sup>1</sup> Related natural persons are considered as persons that are members of the immediate family of an employee. A member of the immediate family means a person in one of the following relationships with another person:

- a spouse or a person with whom they live in a relationship that has the same rights in property as those arising out of a matrimonial relationship, or a person with whom they live in a same-sex civil partnership according to the law governing the registration of same-sex civil partnerships
- a child or adopted child of such a person or person from the previous point
- other persons under such a person's guardianship or the parents/grandparents of such a person or the person referred to in the first point
- a direct blood relative to any degree (grandparents, parents, children, grandchildren and great-grandchildren)
- an indirect relative up to and including the third degree (brothers, sisters, nephews, nieces, uncles and aunts)
- an in-law relative up to and including the second degree (fathers-in-law, mothers-in-law, sons-in-law, daughters-in-law, brother-in-law, sister-in-law, stepfathers, stepmothers and stepchildren)
- any other person with whom the employee is privately related in a way that may lead to conflicts of interest

sational unit, as well as the rules applicable to the collection and processing of data concerning related persons employed by them.

#### 5.2.4

##### External activities of employees

During our employment relationship with NKBM we must not, without the written consent of the Management Board, engage in any for-profit or not-for-profit activity, or conclude any transactions for our own account or for the account of a third party, if the respective activity falls within the category of activities carried out by Nova KBM and is or could be competitive to Nova KBM, nor should we engage in any for-profit or not-for-profit activity, or conclude any transactions for our own account or for the account of a third party, if the respective activity is identical or similar to the ones we perform at Nova KBM, or if the performance of this activity is, or could be, competitive to Nova KBM.

the account of a third party – if the respective activity falls within the category of activities carried out by Nova KBM or is identical or similar to the ones we perform at Nova KBM and if the performance of this activity is, or could be, competitive to Nova KBM.

We are also required to obtain written consent from the Management Board for taking up a position in a governance body and for publishing any written contributions, articles or books, or for being engaged in publishing activities, as well as carrying out educational or training activities or lectures, if, in carrying out any of these activities, we use the name 'Nova KBM' or non-public information obtained in performing our duties at Nova KBM.

You are obligated to notify the NKBM Compliance Office also if engaging in a business activity or holding a for-profit or non-profit function in a local body or environment that does not require the consent of the Management Board.

#### EXAMPLE:

Q: A corporate relationship manager wishes to engage in business advisory services as a sole trader in his private time. Does he need the consent of the employer?

A: Yes. Consent is needed for any activity that is or could be competitive to Nova KBM.

In particular, we must not be in any way involved in the operations of other legal entities – act as private individuals, entrepreneurs or contractors for third parties, or carry out business activities, or conclude any transactions for our own account or for

#### EXAMPLE:

Q: In my private time I illustrate books and write fairy tales. Do I need the consent of my employer?

A: No. This activity is not competitive to Nova KBM or your position within the bank. You do need to report your engagement to the Compliance Office at [eticnavprasanja@nkbm.si](mailto:eticnavprasanja@nkbm.si).

The obligations outlined above shall be reasonably incorporated into the internal documents of all members of the Nova KBM Group and be complied by the employees of each of the members.

#### 5.3.

### Market abuse – inside information

In performing our work, we may become acquainted with information that is not public, but could be of importance for investors.

An employee who, in performing his/her duties, has obtained inside information in respect of a certain financial instrument or an issuer must not use any such inside information for any direct or indirect acquisition or disposal of the respective financial instrument for his/her account or the account of persons related to him/her, or disclose the information to third parties.

#### 5.4.

### Prevention of money laundering and terrorist financing restrictive measures

Prevention of money laundering and terrorist financing and restrictive measures

Money laundering is an abuse of the financial system for the purpose of concealing the origin of funds, while terrorist financing refers to the direct or indirect financing of individuals and organisations involved in terrorism. Both activities are prohibited under the applicable legislation and internal regulations of NKBM.

Within the framework of our duties and responsibilities, we consistently perform the tasks set out in the applicable internal regulations, and notify the relevant departments of any deviation or suspicion of potential abuse in this field.

#### Restrictive measures

In carrying out its business, NKBM implements the restrictive measures adopted by the EU/FBE and the OFAC. Restrictive measures may be in the form of a complete ban on operations, financial sanctions (ban on cooperation or freezing of funds), or in the form of other measures that restrict the smooth running of operations of persons (natural or legal) against whom or which the measures have been taken (a ban on financing certain raw materials or products, securities, etc).

5.5.

## Ethical conduct

We are committed to ethical conduct across all areas of our operations and in relationships with all our stakeholders. Customer relationships are at the core of our business. Good and mutual relationships that we strive to have with our customers, owners, business partners and external service providers are based on respect, trust and consideration of the ethical values of NKBM.

5.6.

## Fight against bribery and corruption

Our bank is committed to complying with all applicable anti-bribery and corruption laws and regulations. Our bank expects transparency and integrity in all of its business dealings to avoid any improper advantage or the appearance of questionable conduct by its employees and associated third parties.

You are responsible for preventing, detecting, and reporting bribery and other forms of corruption in connection with our bank's business. Bribery or corruption in any form is not tolerated by our bank – you and third parties associated with your business are prohibited from offering, promising, giving or authorising, any form of solicitation, agreement to receive, or accepting anything that constitutes, or could be perceived as constituting bribery or corruption.

5.7.

## Gifts and entertainment

We shall not accept gifts or entertainment from our customers, external service providers, business partners or any other persons, either for ourselves or for our colleagues. However, we are aware that there are social circumstances in which it would be impolite or awkward to refuse a gift or entertainment, or other occasions on which the acceptance of gifts or entertainment is justified.

We are familiar with internal rules on when to seek approval for gifts received or given and when a gift becomes property of NKBM.

### EXAMPLE:

Q: Can I accept a gift or entertainment from a customer?

A: Yes, but you need to act in accordance with internal regulations that specify when a gift needs to be approved by the Head of Compliance. If the gift/entertainment market value exceeds 30/50€ you need to obtain approval.

In any such circumstances or events, it is necessary to clearly justify the business reason for accepting a gift or entertainment, taking into consideration the restrictions and rules of Nova KBM that are applicable to this issue.

The acceptance of any gift or entertainment does not affect, and should not affect, our business decisions.

### EXAMPLE:

Q: A customer gave me a gift worth 200 €. Can I keep it?

A: No. When gift value exceeds 200 € it becomes a property of Nova KBM.

The rules outlined above shall be reasonably incorporated into the internal documents of all members of the Nova KBM Group and be complied by the employees of each of the members.

5.8.

## Political activity

Nova KBM is a politically neutral organisation and does not engage in party political campaigning or make party political donations.

If you are involved in political activity in a personal capacity you have a responsibility to make sure that this is kept entirely separate from your duties as an employee and that our bank's funds or resources (including time) are not used for political purposes. It is not permitted for any employee to coerce or pressurize other employees to make political contributions.

Prior to accepting a public office,<sup>2</sup> employees need to notify their B-1 level supervisor and the Compliance Office, and check for any incompatibilities or restrictions of holding this type of public office.

<sup>2</sup> Public office shall be understood as any function in a national or local government body.

6.0

**We strive  
for long-term  
relationships**

6.1.

## Data protection

In performing our duties, we come in contact with confidential data. Data shall be deemed confidential when designated as such or when significant damage would occur if an unauthorised person had access to the respective data. Being aware that the data constitutes the assets of Nova KBM and its competitive advantage, we protect all data in accordance with the applicable legislation. We are obligated to protect the confidentiality of data obtained during our employment even after terminating our employment relationship.

6.2.

## Customer focus

We aim to provide our customers with the best service possible. We want to establish and nurture a long-term relationship with each customer. That is why our services are developed based on an individual and professional customer approach and are always focused on providing customer satisfaction.

Excellence in customer service is one of our strategic priorities and a program based on core values. We strive to create a unique user experience and to increase customer satisfaction by seeking the most appropriate solutions and by streamlining our processes. We provide services to our customers with enthusiasm, proper communication and teamwork.

6.3.

## Resolving customer complaints

Efficient, quick and successful resolution of complaints is an important step towards creating and securing a competitive advantage for NKBM. It is therefore very important that we engage in any complaint resolution in a systematic manner and with the aim of resolving the matter as soon as possible.

We should consider customer complaints with the greatest level of attention and resolve them as quickly as possible, all by considering the need to protect the customer's best interests as well as the reputation of NKBM and trust in what the bank does. We should attempt to resolve each complaint by cooperating with the displeased customer and should strive towards reaching an agreement between the bank and the customer. We therefore notify any complaint to our supervisor or other colleagues in the Bank who are responsible for resolving complaints.

6.4.

## Customer protection

Ensuring the protection of customers' assets, personal data and confidential information is a principle on which we build customer trust.

NKBM is obliged to treat customer data in a confidential manner and in accordance with the applicable legislation. In our relations with customers, we are committed to the highest standards of due care. Therefore, we do not disclose any confidential infor-

mation we have obtained or come across in performing our work.

We carefully protect personal data and disclose it to third parties only in accordance with the applicable legislation. We are obliged to protect the personal data obtained during our employment even after terminating our employment relationship.

6.5.

## Social responsibility

NKBM demonstrates social responsibility towards its internal and external environment by seeking and implementing opportunities to build long-term partner relationships with its stakeholders in a broader economic, social and natural environment. It provides encouraging conditions for the development of its employees and to ensure an appropriate balance between work and their private lives.

While it collaborates with various organisations and individuals in the areas of sports, culture, science and business, as well as with other entities active in the local communities in which it operates, NKBM is also connected with the environment through sponsorships, grants and other forms of partner relationships. By participating in charity projects, NKBM demonstrates its sense of understanding people's needs.

Means of work and other assets are used by us in such a way as to minimise the burden on the environment, while considering the regulations on environmental protection.

6.6.

## External communication

We communicate with customers, owners, business partners, external service providers and other stakeholders in an open, responsive, accurate, respectful and professional manner. We respect confidentiality and do not disclose confidential and private data or information that is regarded as proprietary information of Nova KBM. Communication with the media and any public presentations of Nova KBM are done exclusively by the Management Board and relevant departments authorised to do so. We do not communicate about matters for which we lack authorisation without the approval of competent authorities.

To ensure that the inquiries from the media and other interested members of the public are dealt with properly, Nova KBM has created the e-mail address [pr@nkbm.si](mailto:pr@nkbm.si). We use social networks, web chats and public forums responsibly and we clearly separate private messages from business ones, always being aware that the stakeholders of Nova KBM associate our messages and actions, including those that we express and take in our free time, with the values and corporate culture of Nova KBM. Therefore, we always communicate in such a way as to avoid causing harm to the reputation of Nova KBM, and instead protect and strengthen it.

The rules outlined above shall be reasonably incorporated into the internal documents of all members of the Nova KBM Group and be complied by the employees of each of the members.



7.0

**We protect  
our assets**

7.1.

## Management and protection of assets

The assets of Nova KBM consist of physical assets, comprising movable and immovable property, financial assets and intellectual property rights. The assets shall be handled in an economic and responsible manner and protected against damage, demolition, alienation, abuse or loss. We use the assets exclusively to attain the business goals of Nova KBM. The assets shall not be used and for private purposes, for which we bear personal responsibility.

The obligations outlined above shall be reasonably incorporated into the internal documents of all members of the Nova KBM Group and be complied by the employees of each of the members.

7.2.

## Handling of information assets and resources

The information resources of Nova KBM shall only be used for business purposes.

The information resources and assets of Nova KBM shall be used in a respectful and professional manner; responsibly and in accordance with Nova KBM's policies and applicable internal regulations.

### EXAMPLE:

Q: Can my children use my company laptop for video games and chatrooms?

A: Any laptop computer should be used in a respectful and professional manner, with proper responsibility and in accordance with NKBM policies and internal regulations. It is not appropriate to use your company computer for video games and chatrooms.

7.3.

## Healthy and safe work environment

A healthy and safe work environment is important for the wellbeing of our employees. During our work we follow and honour internal regulations that govern safety at work. We treat our colleagues with respect and respect diversity.

We are aware that the consumption of alcohol and illicit substances, both at the workplace and during working hours, is prohibited. An occasional toast during working hours is allowed only if there is a justified business reason for this and the toast is considered to be part of the business protocol and good manners.

### EXAMPLE:

Q: Can I have a toast with my colleagues during working hours and in the premises of NKBM to commemorate a private occasion (birthday)?

A: No. An occasional toast during working hours is allowed only if there is a justified business reason for this and the toast is considered to be part of the business protocol and good manners.

Any use of Nova KBM's information resources and assets, including for private purposes, entails a risk that Nova KBM will become acquainted with the content of a message or data in electronic form. We can eliminate such risk by using Nova KBM's information resources and assets solely for business purposes.

### EXAMPLE:

Q: Can I use my company email address for private purposes?

O: Any use of NKBM's information resources and assets, including private use, exposes you to risk of NKBM taking knowledge of the contents of the message and electronic data.

The obligations outlined above shall be reasonably incorporated into the internal documents of all members of the Nova KBM Group and be complied by the employees of each of the members.

8.0

**We apply  
the highest  
standards**

8.1.

## Responsibility for compliance

Given that each employee is responsible for his/her ethical behaviour, we consider the values and principles set out in the Code to be of the upmost importance. We consistently comply with all relevant legislation and internal regulations, always striving to act according to the highest applicable standards.

All internal regulations of NKBM must be consistent with the provisions of the Code.

8.2.

## Questions regarding the Code of Conduct

All managers and other NKBM employees have the right to a direct consultation with the officer responsible for ethical issues, who gives advice and takes action in accordance with the values set out in the Code.

Any questions may be communicated to the officer responsible for ethical issues, employed in the Compliance Office of Nova KBM, via email at [eticnavprasanja@nkbm.si](mailto:eticnavprasanja@nkbm.si) or by telephone at 02 229 2015.

8.3.

## Conscientious objection

If we determine that we are required to take an action that is illegal, irregular or unethical and that involves an inducement or solicitation to non-compliance with the provisions of the Code, we have a right to conscientious objection, which must be submitted in written form.

A claim for conscientious objection is accepted, examined and decided upon by the officer responsible for ethical issues, employed by the Compliance Office of Nova KBM, cooperating with other relevant departments.

8.4.

## Obligation to report on wrongdoing (whistleblowing)

Each Nova KBM employee has the obligation and right to anonymously report any suspicion of harmful practice and any harmful practice undertaken by any of his/her colleagues. You can report the suspicion or harmful practice either in writing or orally. The notification of suspicions of unlawful practices is governed in detail by the Rules on prohibited behaviour of employees.

Thus, each employee who knows or reasonably suspects that a colleague is, or was, involved in an act of corruption or an act of damage to Nova KBM's assets, or any other breach of the Code and the applicable regulations in connection with his/her duties, must immediately report the suspicion of unlawful practice in accordance with the applicable internal regulations.

A suspicious activity report must contain the data necessary for Nova KBM to appropriately examine all statements.

All suspicious activity reports are treated as confidential. The employment of the employee signing any such report will not be compromised as a result of his/her submission of the report with good intent.

The Bank investigates all reports in a thorough, fair, discrete and timely manner.

The Bank puts great emphasis on preventing recurring harmful practice. For this purpose, the Bank investigates not only the circumstances of a particular case, but also the status of current processes and internal controls.

The obligations and procedures outlined above shall be reasonably incorporated into the internal documents of all members of the Nova KBM Group and be complied by the employees of each of the members.

8.5.

## Breach of the Code of Conduct

Any wilful or careless breach or neglect of one's duties and responsibilities pursuant to the provisions of the Code will be treated as a breach of work obligations in accordance with the relevant legislation, the collective bargaining agreement and the applicable internal regulations.

## 9.0

# Final provisions

This Code of Conduct takes effect 1 January 2019.

Upon the entry into force of this Code of Conduct, the Nova KBM Code of Conduct of 1 October 2017 shall cease to apply.

