



SANCTIONS TERMS

FOR PERFORMANCE WITH DELIVERY OF GOODS

of Slovenské elektrárne, a.s. (hereinafter referred to as the "SE"),

version 16/07/2025

1. INTRODUCTORY PROVISIONS

- 1.1. These Sanctions Terms (hereinafter referred to as the "**Sanctions Clause**") form an integral part of the Contract and in the event of any conflict between them, the provisions of the Sanctions Clause shall prevail over the provisions of the Contract. The Sanctions Clause shall be governed by the laws of the Slovak Republic.

2. DEFINITIONS

Any capitalised terms used in this Sanctions Clause (whether in singular or plural) shall have the meaning ascribed to them in article 2 or elsewhere in the Sanctions Clause.

- 2.1. "**Applicable Sanctions Programmes**" means any international sanctions or restrictive measures (e.g. in the form of orders, prohibitions, restrictions or other sanctions measures or programmes) issued and/or applied by the Sanctioning Authorities.
- 2.2. "**CN Code**" means a code attributable to any particular good pursuant to goods nomenclature established by Council Regulation (EEC) No. 2658/87 (and first published as Annex 1 thereto), as amended from time to time by relevant Implementation Regulations (EU) of the European Commission, or any other code or other designation to be used by any Applicable Sanctions Program to identify Sanctioned Goods defined thereunder.
- 2.3. "**Contract**" means a contractual document, typically in the form of a contract or purchase order, including its amendments and annexes.
- 2.4. "**Delivery Protocol**" means a delivery note, takeover protocol (in Slovak: *preberací protokol*) or another written document confirming the takeover (in Slovak: *prevzatie*) of the Performance or a part thereof.
- 2.5. "**Goods Subject to SE's Control**" means each of the goods forming part of the Performance, except for:
- i) goods with the Origin of Goods in the European Union; or
 - ii) goods that are, or should be, delivered to SE according to the Contract as a structural or other functional component of the Performance or a part thereof (e.g. as a part of independently functional technological equipment); this exception does not apply to spare parts or other goods that are to be delivered (in Slovak: *dodané*) to SE according to the Contract separately (i.e. as stand-alone items);

while at the same time, regardless of the exceptions mentioned above, "**Goods Subject to SE's Control**" shall mean goods that are so designated in the KYC Questionnaire (as defined in clause 3.1v) below) and/or that are so designated by SE in any subsequent written communication with the Partner concerning the Contract.

- 2.6. "**Origin of Goods**" means the country of origin of the goods and the country from which the goods are imported.
- 2.7. "**Partner**" means any party to the Contract, excluding SE.
- 2.8. "**Performance**" means all contractually agreed performances of the Partner (e.g. services provided,

works carried out, including deliveries of goods and activities performed) related to the subject-matter of the Contract.

- 2.9. "**Sanctioned Goods**" means each of the goods to which any of the measures under the Applicable Sanctions Programme apply.
- 2.10. "**Sanctioned Person**" means a person who:
- i) is listed in any of the Sanctions Lists by any of the Sanctioning Authorities, or is a target of, or subject to, any Applicable Sanctions Programme, or
 - ii) is directly or indirectly owned, controlled or managed by a person referred to in clause 2.10i) or by a person referred to in clause 2.10iii), or whose representative, or any person acting on its behalf, is a person referred to in clause 2.10i) or a person referred to in clause 2.10iii),
 - iii) has its registered office, place of business or income, or any business activities in any Sanctioned Territory, and to the extent or in a manner that brings this person under the application of the relevant Applicable Sanctions Programme applicable with respect to that Sanctioned Territory.
- 2.11. "**Sanctioned Territory**" means a sanctioned state or territory included in the list of relevant sanctioned states or territories published or updated on the website: <https://www.seas.sk/en/about-us/international-sanctions/>.
- 2.12. "**Sanctioning Authorities**" means sanctioning authorities included in the list of relevant sanctioning authorities published or updated on the website: <https://www.seas.sk/en/about-us/international-sanctions/>.
- 2.13. "**Sanctions Lists**" means any lists of sanctioned persons or other sanctions lists or sanctions programmes or decisions maintained or issued by any of the Sanctioning Authorities.

Furthermore, for avoidance of any doubt, reference in this Sanction Clause to any "**person**" or "**entity**" includes any individual, corporation, company, firm, partnership, joint venture, association, authority, trust, government or any of its bodies, state or any other legal entity.

3. DECLARATIONS AND OBLIGATIONS OF THE PARTNER

- 3.1. The Partner declares and undertakes to ensure that the following Partner's declarations are true and will remain true at all times throughout the entire term of the Contract:
- i) neither the Partner, nor any of its ultimate beneficial owners, nor any significant member (in Slovak: *spoločník*) and shareholder (in Slovak: *akcionár*) of the Partner (i.e. a person or an entity that owns or otherwise controls more than 50% of the ownership interests (in Slovak: *obchodné podiely*) or shares (in Slovak: *akcie*) in the Partner), nor any member of the statutory body of the Partner, nor any member of the statutory body of any of the aforementioned entities, is a Sanctioned Person;
 - ii) neither the conclusion of the Contract, nor any performance, act and/or exercise of rights under the Contract, will cause a breach of any Applicable

Sanctions Programme for any reason on the part of the Partner (which also includes a reason on the part of any of the persons referred to in clauses 3.1i) and 3.1iii) as well as a reason relating to any part of the Performance);

- iii) no Partner's subcontractor (in Slovak: *subdodávateľ*) involved in the Performance, no ultimate beneficial owner of that subcontractor, no significant partner or shareholder of that subcontractor (i.e. a person or an entity that owns or otherwise controls more than 50% of the ownership interests or shares in that subcontractor), and no member of the statutory body of the subcontractor, nor any member of the statutory body of any of the aforementioned entities, is a Sanctioned Person;
- iv) if the Performance involves delivery of any Sanctioned Goods, the Partner has acquired the Sanctioned Goods by lawful means and holds all necessary exemptions or permits applicable to such Sanctioned Goods (e.g. for the purposes of acquisition, purchase, sale, trade, transfer, importation into EU of the Sanctioned Goods by the Partner, whichever is applicable). The falsity of this declaration shall be also deemed a legal defect in the Performance (in addition to the consequences of the Partner's breach of the obligation to ensure its truthfulness);
- v) the information provided by the Partner in the documentation and communication that collectively constitute the SE's "KYC" process in relation to the Contract (herein referred to as "**KYC Questionnaire**"), as well as the information provided in the Delivery Protocol concerning the Origin of Goods delivered under the Contract and their respective CN Code (if required), or any information provided by other means, is complete, true and correct;
- vi) the Partner acknowledges that the information provided by the Partner, including also the information provided or confirmed by the Partner in the KYC Questionnaire and/or in the Delivery Protocol, is important for the performance of review of the compliance of the conclusion of the Contract, as well as the implementation of the Performance, with the Applicable Sanctions Programmes, and further acknowledges also the possible consequences of incorrectness or falsity of the provided information;
- vii) the Partner has mechanisms in place to prevent breaches of Applicable Sanctions Programmes, including the identification of the Origin of Goods or the Sanctioned Goods, as applicable;
- viii) the Performance or its part, in respect of which an invoice, or other document constituting the Partner's right to receive a payment from SE under the Contract, is issued and/or delivered to SE, has been, is, and will be (as applicable) delivered (in Slovak: *dodané*) to SE in full compliance with the provisions of this Sanctions Clause and Applicable Sanctions Programmes.

4. OTHER OBLIGATIONS OF THE PARTNER

4.1. Partner undertakes to:

- i) refrain from engaging in any activities prohibited by any Applicable Sanctions Programme throughout the entire term of the Contract;
- ii) specify, at the latest in the Delivery Protocol or documentation related to the Delivery Protocol, inter alia, the respective Origins of Goods of all goods forming part of the Performance and listed therein, and for each of the Goods Subject to SE's Control also their respective CN Code;

- iii) ensure that, where the delivery of any Sanctioned Goods is subject or part of the Performance, the Partner shall reliably identify such Sanctioned Goods and comply with the following:

- (A) in sufficient advance time, the Partner shall notify SE of the delivery of any Sanctioned Goods and request SE to approve the delivery of each such Sanctioned Goods; and at the same time, the Partner shall provide information on the relevant Applicable Sanctions Programmes, their CN Code, if assigned to the goods, and their Origin of Goods;
- (B) the Partner shall provide all necessary assistance and cooperation to obtain the exemption for SE, as well as for any other steps to ensure compliance of the implementation of the Performance itself, and SE, with the Applicable Sanctions Programmes;
- (C) the Partner shall specify the Origin of Goods and the CN Code, if assigned to the goods, in the Delivery Protocol;

whereas the Partner also undertakes not to deliver the Sanctioned Goods or demand payment for (or in any respect of) the Sanctioned Goods from SE without SE's consent.

- 4.2. Any breach of any of the obligations under sections (A), (B) or (C) of clause 4.1iii), as well as any breach of any obligation under clauses 4.1i) or 4.1ii) above, will also be deemed a legal defect in the Performance, in addition to other consequences of Partner's breach of any such obligation.

5. INFORMATION OBLIGATION

- 5.1. The Partner undertakes to notify SE and provide SE with all information and documentation regarding

- i) any claim, action (filing), lawsuit, proceeding or investigation against the Partner, a subcontractor or persons referred to in clauses 3.1i) or 3.1iii) in connection with any Applicable Sanctions Programme;
- ii) any fact that could constitute a breach of the declaration or obligation of the Partner under this Sanctions Clause;
- iii) any circumstance that gives rise to grounds for (a) SE to be in breach of any Applicable Sanctions Programme and/or for (b) SE to become a Sanctioned Person (any of the consequences set forth in (a) and (b) hereinafter referred to as a "**Sanctions Breach**");
- iv) any missing information not provided by the Partner before, during or subsequently in connection with the conclusion of the Contract in the KYC Questionnaire and/or any changes to the information previously provided by the Partner in these documents;
- v) the fact that, for the Performance, the Partner will use a subcontractor (or rely upon the capacity of another entity) which will account for more than 10% of the Contract value and which has relevant connection with Russia (as provided for under section 5k(1) of the Council Regulation (EU) No. 833/2014 as amended);

and in each case, the Partner shall do so without delay upon becoming aware of any of the above or, in the case of supplementing missing information in the KYC Questionnaire, immediately after the conclusion of the Contract.

- 5.2. The Partner also undertakes to provide SE without delay with all information and documentation that SE may request in order to fulfil SE's undertakings to ensure compliance with Applicable Sanctions Programmes

(including prevention of the breach thereof) even after the termination of the Contract.

6. SUSPENSION OF THE PERFORMANCE

- 6.1. If (a) SE has reasonable grounds to suspect that a circumstance referred to in clause 5.1iii) may arise as a result of a potential falsity of any of the declarations under article 3 or a potential breach of any of the obligations under articles 3, 4 or 5, or a potential occurrence of any of the cases referred to in clause 7.1 under which the Contract may be terminated, or (b) a Sanctions Breach has occurred, SE shall be entitled to instruct the Partner to suspend the Performance. In such a case, the Partner must suspend the provision of any Performance under the Contract, regardless of its type or the place of delivery/execution, handover and/or takeover, even if these are carried out outside the SE's premises.
- 6.2. Upon request, the Partner shall provide SE with all information and explanations that may be needed for complex assessment of the scope and severity of a potential or an occurred Sanctions Breach.
- 6.3. The Partner shall take appropriate measures to ensure the proper storage, preservation, protection, and safeguarding of the subject matter of the Performance, and to protect, preserve and secure it against any deterioration, spoilage, or damage while the Performance is suspended.
- 6.4. All costs incurred in connection with the suspension of the Performance shall be borne by the Partner, unless it is proven that the reason for the suspension of the Performance under clause 6.1 did not occur. If the Partner incurs delay as a result of the suspension of the Performance, the Partner shall inform SE thereof. The Partner shall not be entitled to an extension of the deadline for carrying out of the Performance by the period during which the Performance is suspended under this article 6. The Partner shall bear the costs associated with the resuming the Performance in this case.
- 6.5. Upon the issuance of an instruction to resume the Performance, SE and the Partner shall jointly inspect the subject matter of the Performance affected by the suspension. The Partner shall repair or replace any deterioration, defects, degradation, or damage to the subject of the Performance at their own costs, if these occurred during the suspension of the Performance. If due to the Partner's fault any measures are required to mitigate any damage, the Partner shall be obliged to implement them.
- 6.6. SE's right to suspend the Performance under this article 6, or SE's exercise or non-exercise thereof, shall not in any way replace or restrict SE's right to withdraw from the Contract under article 7 nor any other SE's potential rights resulting from other provisions of this Sanctions Clause (e.g. claims resulting from legal defects in the Performance) or under law (including the right not to act contrary to the law).

7. WITHDRAWAL FROM THE CONTRACT

- 7.1. SE shall be entitled to withdraw from the Contract, *inter alia*,
 - i) in the event of a breach on the part of the Partner (which shall include also the persons referred to in clauses 3.1i) or 3.1iii)) of any of the obligations under article 3 or article 4, or
 - ii) if any of the declarations made by the Partner under clause 3.1 proves to be false, or
 - iii) if the Partner fails to fulfil the information obligation or any other obligations specified in clauses 5.1 or 5.2 or 6.2 or 8.3 or 8.4, or
 - iv) if the circumstance referred to in clause 5.1iii) or a

Sanctions Breach occurs, or

- v) if, with respect to any performance, act and/or exercise of rights under the Contract, SE has not been granted an exemption pursuant to generally binding legal regulations applicable in or to the Slovak Republic which is necessary to ensure that a Sanctions Breach is not threatened or has not occurred;

whereas, each of the above cases is deemed a material breach of the Contract by the Partner, or in the cases referred to in clauses 7.1iv) or 7.1v) (if they occur for reasons not attributable to the Partner) this constitutes another circumstance giving SE the right to withdraw from the Contract, as agreed by the parties to the Contract in this Sanctions Clause.

- 7.2. SE shall be entitled to withdraw from the entire Contract even if the subject matter of the Contract comprises of several separate Performances and the breach relates only to one of the individual Performances (or any of the parts thereof). If SE has the right to withdraw from the Contract concluded under a framework agreement, SE shall also have the right to withdraw from the respective framework agreement. Likewise, upon withdrawal from the framework agreement, SE may also withdraw from any contracts concluded pursuant to that framework agreement; in the event of such a withdrawal, SE will specify which contracts are so affected.
- 7.3. In the event of withdrawal from the Contract pursuant to this article, SE shall be entitled to:
 - i) require handover of any part of the Performance already carried out by the Partner; in such a case, SE will pay the Partner a proportionate part of the consideration corresponding to the portion of the Performance already carried out unless such payment conflicts with any Applicable Sanctions Programme; and/or
 - ii) withhold and not pay to the Partner any part of the consideration for the Performance, as well as not provide the Partner (and/or any other person) with any performance which SE would otherwise be obliged to do; and/or
 - iii) withhold and not release to the Partner (and/or any other person) any financial funds or other economic resources (including also materials, technologies, etc.) located on SE's premises and owned, held, or otherwise controlled by the Partner; and/or
 - iv) have everything provided by SE in connection with the Contract (e.g. documents or materials) returned to SE;

and the Partner is obliged to respect all of the above SE's rights and to take all steps to fulfil them in the extent they have been exercised by SE against the Partner, without undue delay after the Partner becomes aware of their exercise.

- 7.4. If no agreement on the settlement of the obligations of the parties to the Contract is reached even within 15 days upon the delivery of the written notice of withdrawal from the Contract to the Partner, the manner of settlement of the obligations will be determined by SE.

8. TAKEOVER AND TRANSFER OF OWNERSHIP OF THE SANCTIONED GOODS

- 8.1. If (a) the delivery of Sanctioned Goods is the subject of or part of the Performance and (b) SE's takeover (in Slovak: *prevzatie*) of such Sanctioned Goods and/or SE's acquisition of ownership of such Sanctioned Goods would constitute a breach of Applicable Sanctions Programme, SE's takeover of such Sanctioned Goods, as well as SE's acquisition of ownership of such Sanctioned Goods (with all rights and obligations arising therefrom), shall only

occur at the moment when SE confirms and/or countersigns the Delivery Protocol confirming or documenting the delivery (in Slovak: *dodanie*) of such Sanctioned Goods.

- 8.2. If, during the takeover (in Slovak: *prevzatie*) of the subject matter of the Performance (or a part thereof) SE discovers that SE's takeover or acquisition of ownership of such subject matter of the Performance could result in a Sanctions Breach, or if during such takeover it is not possible to exclude based on the documentation the possibility that the Performance could concern Sanctioned Goods the delivery of which could result in a Sanctions Breach, SE shall have the right to delay the confirmation and/or countersigning of the Delivery Protocol and will inform the Partner thereof.
- 8.3. If the confirmation and/or countersigning of the Delivery Protocol is delayed, SE shall have the right to carry out an inspection to determine whether the acquisition constitutes acquisition of Sanctioned Goods, and whether such acquisition of those Sanctioned Goods is in compliance with Applicable Sanctions Programmes. In this respect, the Partner shall provide SE with requested

cooperation.

- 8.4. If, based on the procedure specified under clause 8.2 and/or 8.3, SE comes to reasonably suspect that any part of the Performance constitutes Sanctioned Goods and SE's takeover (in Slovak: *prevzatie*), and/or acquisition of ownership by SE thereto, could result in a Sanctions Breach, then SE shall be entitled not to confirm and/or countersign the relevant Delivery Protocol, and if the Sanctioned Goods have been already physically placed on SE's premises in the meantime, SE is entitled to request that the Partner removes the Sanctioned Goods and the Partner shall be obliged to remove such Sanctioned Goods from SE's premises without delay, and in any case within five working days of receiving the request. Other claims arising from defects in the Performance, as well as rights and obligations arising from the Contract, this Sanctions Clause, or Applicable Sanctions Programmes shall not be affected.