**ENERGOATOM**

**Clean energy of the future**

**REPORT**

**on the annual evaluation of results**

**of implementation of the Anti-Corruption Program measures**

**for the year 2023**

Kyiv 2024

Authorized Person for anti-corruption activities

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CORRUPTION RISK MANAGEMENT 1

**GENERAL INFORMATION REGARDING FORMATION OF ANTI-CORRUPTION PROGRAM**

**IMPLEMENTATION REPORTING**

Basic approaches to the organization of anti-corruption activities in the Company determined by the Anti-Corruption Program of SE “NNEGC “Energoatom” (hereinafter - Anti-Corruption Program). Within the framework of the implementation of its provisions, specific production documents have been approved, these specify:

• functions and rights of the person responsible for the implementation of the Anti-Corruption Program;

• the procedure for assessing corruption risks;

• the procedure for preventing and settling conflicts of interest;

• specific characteristics of conducting introductory briefings on corruption prevention;

• hospitality policy;

• the procedure for training and advanced training on issues of corruption prevention and anti-corruption;

• the procedure for consideration of reports on possible facts of corruption or related to corruption offenses, other violations of the Law of Ukraine “On corruption prevention” and protection of whistleblowers;

• mechanisms for encouraging whistleblowers and forming a culture on reporting on possible facts of violation of anti-corruption legislation;

• other anti-corruption measures implemented in the Company.

The implementation of such measures, as well as control over their implementation during the reporting period was provided in accordance with the established procedure by the authorized person

for anti-corruption activities - Head of the Department for Ensuring Corruption Prevention Activities

(hereinafter referred to as the Authorized Person), by employees of the department reported to him, as well as heads of divisions (responsible persons) for corruption prevention and anti-corruption of separate units of the Company, which were in the operative management of the Authorized Person.

Forming reports and informing the Head of the Company about implementation of adopted anti-corruption measures are carried out by the Authorized Person in accordance with the requirements of Section 15 of the Anti-corruption Program at least once every 6 months.

For the fulfilment of these requirements in the reporting period, the Authorized Person developed and submitted to the President of SE “NNEGC “Energoatom” a summary report on the monitoring results of implementation of the Anti-Corruption Program for 6 months of 2023 (official note dated 02/08/2023 No. 01-289/34-sl). Generalized results of this monitoring are posted on the Company's official website.

In accordance with the provisions of subsections 15.4 and 15.5 of the Anti-Corruption Program, the Authorized Person carried out an annual assessment of the results of the implementation of measures provided by the Anti-Corruption Program and developed the present report.

**CORRUPTION RISK MANAGEMENT**

As part of the implementation of Section 7 of the Anti-Corruption Program, the Company has implemented a risk management system that provides for regular assessment of corruption risks that may affect the Company's activities, taking measures, necessary and sufficient for their elimination or minimization, their further monitoring and control, as well as updating existing anti-corruption measures in accordance with the changes in internal and external environment of the Company activities.

To fulfill the stated in the reporting period:

* the versions of a number of internal documents of the Company, which determine or specify the procedure for implementing the anti-corruption measures implemented in the Company were updated, including:

• Anti-corruption program of SE “NNEGC “Energoatom”;

• Regulations on the procedure for assessing corruption risks in activities of SE “NNEGC “Energoatom”;

• Regulations on the procedure for prevention and settlement of conflicts of interest of SE “NNEGC “Energoatom”;

• Instructions for conducting an introductory briefing on corruption prevention;

• Regulations on the organization of work with reports on possible facts of offenses against the corruption law or corruption-related offences, other violations of the Law of Ukraine “About Prevention of Corruption” and protection of whistleblowers at SE “NNEGC “Energoatom”;

* periodic internal evaluation of corruption risks in the Company's activities was arranged.

Based on the results of the evaluation, a written report was approved in accordance with the established procedure, it was put into effect by the order of SE “NNEGC “Energoatom” in July 2023 and brought to the attention of employees;

* implementation of measures for the II half of 2023 by the results of the assessment of corruption risks within the established terms was ensured, in particular:

• the Procedure for carrying out planned and unplanned inspections on corruption prevention and countermeasures against corruption was adopted;

• amendments were made to the Regulation on the permanent commission of the SE “NNEGC “Energoatom” on discarding property PL-D.0.28.459-22 and the Regulation on the permanent

commission of SE "NNEGC "Energoatom" on the use and alienation of property

PL-D.0.28.028-22 in terms of determining the duty of members of the relevant commissions regarding

compliance with the requirements of anti-corruption legislation, as well as the order of prevention and

settlement of conflict of interest during participation in such commissions;

• the version of the Company's anti-corruption provisions was developed for inclusion in draft contracts concluded with non-resident counterparties, and sent to the Finance and Budgeting Directorate for implementation in accordance with the established procedure;

• adopted (updated) internal documents of personnel divisions of the Directorate and SEs of the Company regarding inclusion in labor contracts (orders on acceptance for work) of the requirements of the Law of Ukraine “On Prevention of Corruption” in terms of obligation to comply with the Anti-Corruption Program;

• a working group was formed to develop a unified procedure for definition of the expected value of the purchase item;

• a presentation on the topic “Specific features of prevention and settlement of conflicts of interest during planning and implementation of procurement procedures” was brought to the attention of employees.

Implementation of other measures specified in the report continues in accordance with the established terms.

**EDUCATIONAL EVENTS**

Within the framework of the implementation of Section 8 of the Anti-Corruption Program, the necessary and sufficient proof of the provisions of mentioned Anti-Corruption Program and internal documents of the Company on the prevention and counteraction of corruption, changes in anti-corruption legislation and the practice of its application were provided, in particular, by carrying out:

* introductory briefing on corruption prevention:

Within the framework of the implementation of Subsection 8.2 of the Anti-Corruption Program during the reporting period, the Company employees were familiarized with the main regulations of anti-corruption legislation and the Anti-Corruption Program during the implementation of introductory briefing on corruption prevention.

During the reporting period, such briefing was conducted for more than 1,600 persons, namely:

• applicants accepted for work at SE “NNEGC “Energoatom”;

• Company employees, who, after being appointed to a position by transfer, acquired the status of an official in accordance with current legislation;

• persons authorized to act on behalf of the Company;

• authorized persons responsible for the organization and conduct of procedures of procurement/simplified procurement in the Company, and members of the relevant working groups.

During the introductory briefing on the prevention of corruption, the employees were provided with visual reminders about the fundamentals of the Company's anti-corruption policy, legal status of whistleblowers, guarantees of their protection, etc.;

* training and professional development in the corruption prevention and counteraction

As part of the implementation of the provisions of Subsections 8.3 - 8.5 of the Anti-Corruption Program during the reporting period, training and professional development was organized and conducted for the Company's employees on issues of corruption prevention and counteraction in accordance with the plans of schedules of educational activities on prevention and counteraction of corruption, put into effect by the directives of the Company.

Therefore, during the reporting period, the Authorized Person developed the following items and brought them to:

• the Company's senior management: presentation on the topic “Notice of significant changes in the property status as an additional measure of financial control for officials of the Company who hold positions associated with a high level of corruption risks” (June);

• officials of the Directorate: presentations on the topics “Main duties, restrictions and prohibitions provided for Company officials by the Law of Ukraine “About Prevention of Corruption” and the Anti-Corruption Program of SE “NNEGC “Energoatom”, “Declaration in the conditions of martial law” (June);

• employees of the Company's Directorate; presentation on the topic “Features of prevention and settlement of conflicts of interest during the planning and conduct of procurement procedures” (December).

In general, during the reporting period, by the Authorized Person and divisions (responsible persons) on the SE corruption prevention and counteraction 71 training events were carried out for more than 7,000 employees of the Company with explanations of requirements of anti-corruption legislation and the Anti-Corruption Program (lectures, presentations, electronic training courses, etc.).

A positive achievement in this area is an increase in the level of anti-corruption knowledge requirements of the Company's personnel, as evidenced by the results of the anonymous survey of employees held at the end of 2023 (for the questions of the corresponding block of the questionnaire the number of correct answers increased by 4-6% compared to 2022).

A separate direction of outreach campaign within the scope of implementation of Section 8 of the Anti-Corruption Program includes advanced training in corruption prevention and counteraction.

For this purpose, the employees of the department ensure activities in the field of corruption prevention, participated in the following webinars:

• “New Anti-Corruption Strategy of Ukraine. Directions of implementation at state and utility enterprises”, organized by Cargo Consult LLC with receipt of relevant certificates (March);

• “How due diligence on companies and individuals will help business to manage today's risks: workshop with case analysis”, organized by YouControl (March);

• "Unified Portal and concept of working with corruption whistleblowers", organized by Public Organization “Centre of Public Initiatives” within the framework of the USAID\_interaction project (November).

In addition, the employees of the department for ensuring activities in the field of corruption prevention took part in public discussions of legislative initiatives of the National Agency for the Corruption Prevention, held within implementation of the State Anti-Corruption Program for 2023-2025 (online and offline format), in particular regarding the following draft laws of Ukraine:

• “About amendments to some legislative acts of Ukraine regarding regulation of the legal status of authorized divisions (persons) on issues of corruption prevention”, “On amendments to the Criminal Procedure Code of Ukraine and the Code of Ukraine on Administrative Offenses regarding sending

copies of court decisions in cases of offenses against the corruption law and corruption-related offenses” (September);

• “About amendments to the Law of Ukraine “About Prevention of Corruption” regarding development of anti-corruption standards for legal entities of private law” (September);

• About amendments to the Law of Ukraine “About Corruption Prevention” regarding simplifying the understanding and application of definitions: “actual conflict of interest”, “potential conflict of interest”, “private interest” and improvement of other provisions of the Law” and “About amendments to the Code of Ukraine about administrative offenses regarding the establishment of liability for violation of the restriction regarding the exercise of powers in relation to oneself and related persons” (September);

• About amendments to the Law of Ukraine “About Corruption Prevention” regarding improvement of the legal regulation of prohibitions and restrictions on obtaining gifts” (October);

• “About virtuous lobbying and advocacy in Ukraine” and “About making changes to the Code of Ukraine on Administrative Offenses regarding violation of legislation in the field of lobbying and advocacy" (November);

• amendments to the State Anti-Corruption Program for 2023-2025 (December)

* clarification and information sharing:

Within the implementation of Subsections 8.1, 8.8 - 8.11 by the Authorized Person and divisions

(responsible persons) for the SE corruption prevention and counteraction during the reporting period, the Company's employees (including the dismissed ones) were provided with explanations of issues of understanding and fulfilling the requirements of anti-corruption legislation and Anti-Corruption Program, in particular:

• regarding the submission and postponement of the deadlines for submission of declarations of persons, authorized to perform the functions of the state or local self-government (hereinafter referred to as declaration) during the I half of 2023;

• an explanation was sent regarding *th*e reduction of the number of Company’s officials within the meaning of the Law of Ukraine “About Corruption Prevention” after the Law of Ukraine dated 20/09/2023 No. 3384-IX entered in force;

• consultations regarding the loss of the status of the subjects of declaration in connection with amendments to the Law of Ukraine “About Corruption Prevention” and lack of obligation regarding submission of any declarations.

In order to avoid cases of employees of SE “NNEGC “Energoatom” being held accountable, who were hired by the Company during the period of 01/01/2021 – 11/10/2023 and at the previous place of work had the status of subjects of declaration, the Authorized Person carried out explanatory work for such employees at the Company's Directorate regarding the need for them to submit declarations in connection with dismissal from the previous place of work, and provision of appropriate clarifications for employees of the Company's SEs were arranged;

Within the framework of the implementation of the provisions of paragraph 211, Section XIII “Final provisions” of the Law of Ukraine “About Corruption Prevention”, the Authorized Person provided clarification to the employees of the Directorate and Company’s SEs, the collection of information was arranged, and sending a submission regarding the withdrawal of electronic declarations from the public part of the Unified state register of declarations of persons authorized to perform state functions or local was ensured.

In general, during the reporting period, the Authorized Person and SE divisions (responsible persons) for the corruption prevention and counteraction conducted more than 570 consultations.

In addition, in order to ensure openness and simplified access to information about the Company's anti-corruption activities, during the reporting period the Authorized Person placed new information in the subsection “Authorized Person for anti-corruption activities” on the Company’s Corporate Knowledge Portal, as well as developed 11 materials for coverage on the website and the Company's internal corporate networks (the Company's SEs).

**PREVENTION AND SETTLEMENT OF CONFLICT OF INTERESTS**

As part of the implementation of Section 9 of the Anti-corruption Program, the Company defined a system of measures for prevention, timely detection and settlement of situations of conflict of interest.

The mechanism of prevention and settlement of conflict of interest is one of the anti-corruption measures implemented at the Company and designed to ensure virtuous behavior and, as a result, minimize potential corruption risk manifestations related to the possible influence of private interests oriented to execution by employees of the Company of their official duties. For this purpose, considerable attention is dedicated to monitoring conflict of interest and prevention or enforcement of its timely settlement.

Therefore, during employment at the Company, candidates for the position fill out “Information sheet on the presence/absence of conflict of interest”.

In addition, the heads of all management units of the Company annually submit this “Information sheet” within the scope of periodic declaration of information regarding the presence/absence of conflict of interest.

During the reporting period, the Authorized Person and heads of SE divisions (responsible persons) for the prevention and counteraction of corruption were ensuring analysis and generalization of the data contained in the information, and if a conflict of interest was detected, measures were taken to address its prevention or regulation.

In general, for the period of 2023 in mentioned direction of anti-corruption activities in the Company 81 conflicts of interest in the activities of employees of the Directorate and Company’s SEs were settled.

**INTERACTION WITH BUSINESS PARTNERS**

The Company is committed to cooperate with business partners who carry out their activity legally and ethically, and interaction with which does not carry any corruption risks for the Company.

With consideration of this, within the framework of the implementation of Section 10 of the Anti-Corruption Program at the Company:

* information sharing to business partners about the principles and requirements in the field of corruption prevention and counteraction, provided for by the Anti-Corruption Program, other policies developed for its implementation, including through placement of the Anti-Corruption Program and other information on anti-corruption topics at the Company's official website, was ensured;
* an anti-corruption audit of potential and current business partners is carried out in accordance with the established procedure, as a method of preventing corruption risks and reputation losses. During 2023, by the Authorized Person and SE divisions (responsible persons) for corruption prevention and counteraction conducted an analysis of offers of bidders in accordance with the established procedure, based on its results more than 3,700 conclusions, as well as 2 anti-corruption audits of active business partners were provided;
* standard forms of anti-corruption clauses to be included to agreements (contracts) concluded by the Company with business partners, were approved. Within implementation of control for the implementation of that anti-corruption measure throughout the reporting period, the Authorized Person and SE divisions (responsible persons) for corruption prevention and counteraction: review of more than 8,000 draft contracts (agreements) concluded by the Company was carried out, in order to reveal the presence and content of anti-corruption reservations and prevention of violations of anti-corruption legislation, with consideration of the specific characteristics of wartime; more than 200 comments and proposals to them were provided.

**CONSIDERATION OF NOTIFICATIONS OF POTENTIAL FACTS OF ANTI-CORRUPTION**

**LEGISLATION VIOLATION. PROTECTION OF WHISTLEBLOWERS**

Within the scope of implementation of Sections 12 and 13 of the Anti-Corruption Program at the Company:

• functioning of internal communication channels for notifications about potential facts of corruption or corruption-related offenses, other violations of the Law of Ukraine “About Prevention of Corruption" (hereinafter referred to as notification) was ensured;

• the updated version of the Regulation on the organization of work with notifications of potential facts of offenses against the corruption law and corruption-related offenses, other violations of the Law of Ukraine “About Prevention of Corruption” and protection of whistleblowers at SE “NNEGC “Energoatom" PL-D.0.34.623-23, was approved;

• compliance with the requirements of the Regulation on implementation at SE “NNEGC “Energoatom” of mechanisms for encouraging whistleblowers and forming a culture of notification of potential facts of offenses against the corruption law and corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption" PL D.0.34.723-22 was ensured;

• provision of methodological assistance and consultations regarding execution of Notifications was arranged.

The Company cooperates with persons who report potential facts of offenses against the corruption law and corruption-related offenses, other violations of the Law of Ukraine “About Prevention of Corruption” by ensuring functioning of anonymous internal channels for notifications of corruption.

The Company defined the following internal communication channels for notifications of corruption:

online communication channel: electronic form for notifications of corruption, placed on the Company's official website;

electronic communication channel: e-mail box “Confidence Box” transparency@direkcy.atom.gov.ua;

telephone communication channel: anonymous hotline;

verbal notification: informing the Authorized Person at a personal reception.

Within the framework of implementation of measures defined by the Anti-Corruption Program, the Authorized Persons and SE divisions (responsible persons) for corruption prevention and countermeasures during the reporting period, control over compliance by employees of the Company of the requirements of the anti-corruption legislation was ensured, and a review of received messages was carried out.

During 2023, the Authorized Person and SE divisions (responsible persons) for corruption prevention and contraction considered 10 notifications containing facts and circumstances that could be verified. The specified messages were received through the Company's internal channels and checked in accordance with the procedure established by law, among them:

* 1 message was left without consideration due to non-compliance with the requirements of Law of Ukraine “About Prevention of Corruption”;
* as for 9 messages – a preliminary examination (preliminary checks) and service investigation were conducted; according to the results of their implementation, violations of the requirements of the Company’s internal documents that did not relate to measures (rules, standards and procedures) regarding corruption prevention, detection and counteraction were found (7 employees were reprimanded, 20 employees received reduced premium/ were deprived of premium).

The Authorized Person and divisions (responsible persons) for SE corruption prevention and anti-corruption in accordance with the provisions of the Anti-Corruption Program and internal documents of the Company ensured cooperation with whistleblowers in the reporting period, and the guarantees of their protection were provided for by the Law of Ukraine “About Prevention of Corruption”.

In addition, throughout 2023, the Authorized Person and managers (employees) of divisions (responsible persons) for preventing and countering corruption of the Company's SEs by order of management or on their own initiative conducted (participation accepted) 23 inspections and official investigations on issues that were not related to the review of messages For detected violations of the requirements of the Company's internal documents, 10 Company's employees were reprimanded and 36 employees received reduced premium/ were deprived of premium

**PRIORITY MEASURES IN THE AREA**

**OF ANTI-CORRUPTION ACTIVITIES FOR 2024**

1. Development of the Anti-Corruption Program of JSC “NNEGC “Energoatom” in connection with a change in the status of the Company from a legal entity of public law to a legal entity of private law.

2. Updating the production documentation on corruption prevention within the framework of a planned review in connection with the corporatization of the Company.

3. Connection of whistleblowers’ reports to the Unified Portal and formation of culture of reporting on possible facts of offenses against the corruption law and corruption-related offenses, other violations of the Law of Ukraine the Law of Ukraine “About Prevention of Corruption”.

4. Training and advanced training on anti-corruption topics for employees of JSC “NNEGC “Energoatom”.