

PRIVACY POLICY STATEMENT

1. INTRODUCTION

Regulation (EU) 2016/679 of the European Parliament and the Council of the European Union on the protection of natural persons with regard to the processing of personal data and on the free movement of such data of 27 April 2016, which was put into effect as of 25 May 2018 (hereinafter: Regulation) significantly extends the obligations of legal persons which process personal data, and it defines the protection of natural persons regarding such processing of personal data as the fundamental right. HEP Group's rules of personal data protection are in line with the provisions of the Regulation. Thus, the purpose of personal data protection is defined as the protection of private life and other human rights and fundamental freedoms in collecting, processing and using personal data, whereas the collection and processing of personal data may only occur under strict and controlled conditions in line with the Regulation.

Hrvatska elektroprivreda joint-stock company (hereinafter: HEP d.d.) and HEP Group's companies take into account that personal data of the data subject, with whom the controller comes into contact are safe and protected, with an aim of protecting data subjects' privacy. Data subjects' personal data is handled with special care and is used only for the purposes of their processing, on legal grounds. With an aim of personal data protection of data subjects and privacy protection, we take into account the compliance with the principles provided by the Regulation. The companies which consider themselves part of HEP Group are the companies founded by HEP d.d., with which it has regulated relations, which also regulate the relations regarding processing personal data of data subjects. The list of HEP Group's companies may be seen on the web site.

This general Privacy Policy Statement refers to all HEP Group's companies.

2. PRINCIPLES OF DATA PROCESSING

The Regulation provides the principles of personal data processing, so the data must be:

- Lawfully, fairly and transparently processed regarding the data subject
- Collected for specified, explicit and legitimate purposes and cannot be processed further in a manner that is incompatible with those purposes; further processing for archiving purposes in the public interest, for scientific or historical research purposes or for statistical purposes, in line with the Regulation providing protective measures and derogations connected to archiving purposes in public interest, scientific or historical research or statistical purposes shall not be considered to be incompatible with initial purposes
- Adequate, relevant and limited to what is essential in relation to the purposes for which they are processed
- Accurate and when necessary, kept up to date; every reasonable step must be taken to ensure that personal data which are incorrect, taking into consideration the purposes for which they are processed, are deleted or rectified without delay
- Kept in the form which permits identification of data subjects for no longer than it is necessary for the purposes, for which the personal data are processed; personal data

may be stored for longer periods, only if personal data will be processed solely for archiving purposes in public interest, for scientific or historical research purposes or statistical purposes in line with article, which is subject to the implementation of appropriate technical and organizational measures required by this Regulation, in order to safeguard the rights and freedom of data subjects, in line with the Regulation regulating protection measures and derogations related to archiving purposes in public interest, scientific or historical research purposes or statistical purposes

- Processed in a manner that ensures appropriate security of personal data, including protection against unauthorized or unlawful processing, against accidental loss, destruction or damage using appropriate technical or organizational measures.

3. COLLECTION AND PROCESSING OF PERSONAL DATA

Data subjects' personal data may only be processed, if the processing is lawful. In that respect HEP Group's companies collect and process data subjects' personal data, which are allowed only up to the point, when the following conditions are met:

- Processing is necessary to protect the vital interests of the data subject
- Processing is necessary to perform the contract in which the data subject is a party, or in order to take steps at the request of the data subject prior to entering the contract
- Processing is necessary for the purposes of legitimate interests pursued by the controller or the third party, except where such interests are overridden by interests of fundamental rights and freedoms of data subjects, which require protection of personal data, in particular where the data subject is a child
- The data subject has given consent to the processing of personal data on the basis of information on the scope of processing
- Processing is necessary for compliance with legal obligations to which the controller is subject.

In specific cases, when giving information is not essential to establish or continue a business relation with the data subject, the controller may require consent from the data subject for processing data for specific purposes. If the processing is based on consent, the data subject may withdraw the consent at any time, but that shall not affect the lawfulness of processing, prior to consent withdrawal. Consent withdrawal will not affect the option of concluding a contractual relation.

We pay special attention to children protection. Pursuant to Article 19, Paragraph 1 of the Law on implementation of General Regulation of Data Protection (OG 42/2018), a child is any person younger than 16 years of age. Personal data of a child will not be collected and processed without the consent of the holder of parental responsibility.

Special categories of personal data are the data on racial or ethnical origin, political opinions, religious or philosophical beliefs, trade union membership, genetic data, biometrical data for the purpose of unique identification of a natural person, data concerning health, sexual life and sexual orientation, which are given special importance and employees who process the stated categories do so only under conditions provided by the Regulation. Personal data given to the Controller by the data subject may on the basis of contractual obligation be given for a review or forwarded to business partners that implement the processing on the basis of the contract. Our business partners are obliged to obey the rules on confidentiality, pursuant to contracts we conclude with them, and in line with obligations and legal grounds resulting from the Regulation. Similarly, personal data may be forwarded to other legal subject on basis of legal grounds from valid regulations. Personal data are delivered to the public authorities in the Republic of Croatia for the purpose of fulfilling obligations resulting from valid applicable regulations (e.g. upon registering an employee for retirement and health

insurance). Personal data are kept depending on the purpose of processing for which they were collected. Personal data are always kept during the procedure of contract conclusion and for the period of contract duration, but are also kept from other reasons e.g. due to obeying legal obligations. In case of a court case or other legal action, the data are kept until the end of the started case or legal action.

Data subjects' personal data may be collected and used for marketing purposes with their consent and based on legitimate interest, and with an aim of delivering information about products, services and offers which may be potentially important or interesting to data subjects. Data subjects are allowed to withdraw their consent or object at any time, after which data subjects' personal data will stop being processed for marketing purposes.

Personal data about data subjects collected over HEP Group's companies' websites are kept with special care, ensuring security and confidentiality of data to data subjects.

On our websites we collect data that has been voluntarily given to us by registering on our user applications. Collected data are kept in electronic form and necessary technical and organizational measures are applied, in order to prevent the personal data breach. The data collected over e-mail addresses are used only to fulfil data subjects' requests.

4. RIGHTS OF THE DATA SUBJECT

Right to information

The data subject shall have the right to information concerning the processing of his or her personal data, which have to be given in a comprehensive, legible, transparent and easily accessible form, whereby the communication has to be realized by using clear and simple language.

Right to access the data subject

The data subject shall have the right to request the confirmation whether data regarding him or her are being processed, and if the data are being processed get the information how his or her personal data are processed and they may require access to personal data. Information is usually delivered in electronic form.

Right to rectification and erasure

The data subject shall have the right to rectification of inaccurate personal data, as well as the right to have incomplete data completed, including by means of providing a supplementary statement.

The data subject shall have the right to erasure of data if one of the following grounds applies:

1. The personal data are no longer necessary in relation to the purposes for which they were collected or otherwise processed
2. The data subject withdraws consent on which the processing is based (marketing and special categories of personal data) and where there is no other legal ground for processing
3. The personal data have been unlawfully processed
4. The personal data have to be erased for compliance of legal obligations based on other legal regulations
5. The data subject objects to the processing pursuant to Article 21 of the Regulation, there are no overriding legitimate grounds for processing

Right to restriction of processing

The accuracy of the personal data is contested by the data subject, for the period enabling the controller to verify the accuracy of personal data; the processing is unlawful and the data subject opposes the erasure of personal data and requests the restriction of processing. The controller does not need the personal data, but the data subject requires them for establishing, exercising or defending legal claims. The data subject has objected and is pending verification whether the legitimate grounds of the controller override those of the data subject.

Right to data portability

The data subject shall have the right to data portability of his or her personal data to another controller, if the processing is based on consent or is implemented for the purpose of performing the contract in which the data subject is a party or in order to take action at the request of the data subject prior to contract conclusion and if processing is conducted by automated means. The data subject shall have the right to have the personal data directly transmitted from one controller to another, where technically feasible.

Right to object

The data subject shall have the right to object to data processing, when data are processed on grounds of legal interest of the controller or the third party, including profiling. The controller shall no longer process personal data, unless the controller demonstrates legitimate reasons for processing overriding interests, rights and freedoms of the data subject or for the purpose of establishing, exercising or defending legal claims. For the purpose of direct marketing the data subject may at any time object to the processing, after which personal data shall no longer be processed for such purposes.

Right to object to supervisory body

If the data subject considers personal data processing to be opposing the Regulation, he or she has the right to object to the competent supervisory body. In the Republic of Croatia that is the Croatian Personal Data Protection Agency, Martićeva 14, 10 000 Zagreb.

5. SECURITY OF PERSONAL DATA

HEP Group's companies implement appropriate technical and organizational measures, in order to ensure data protection. These measures refer especially to computers (servers and working computers), networks and applications and are included into the security system. With that aim, the measures of access control to data processing systems are undertaken, data entry into data processing system, data entry through systems for data transfer, as well as measures of logical access to applications. Only authorized employees familiar with the conditions of data confidentiality participate in personal data processing and are familiar with the fact that personal data cannot be used for personal purposes or cannot be made accessible to unauthorized persons, both legal and natural.

Processed personal data shall be collected on minimization principle, and they shall be stored at the least possible number of places where they shall be adequately protected.

HEP Group's companies and controllers make their employees aware of the need to continuously protect the privacy of data subjects, and all employees are bound to technical and organizational measures, which controllers undertake so as to ensure the appropriate level of security, with regard to the risk.

In line with the Regulation, certain HEP Group's companies have appointed data protection officers.

The task of data protection officers is to inform and advise the Management Boards, the controller and employees on the obligations which are a result of the Regulation and other regulations on data protection, to monitor the compliance with the Regulation and other regulations, to raise awareness and train employees and other participants in processing procedures, to report to the Management Board on the effectiveness of the personal data management system, to cooperate with the supervisory body and to perform other tasks provided by the Regulation and bylaws.

6. REPORTING TO THE SUPERVISORY BODY AND ACTING UPON BREACHES

The controllers establish and maintain the structure of responsibility for reporting on breaches connected to personal data security on the level of a group. In case of personal data breaches, the controller shall without undue delay, and, where feasible, not later than 72 hours after having become aware of it, report to the supervisory body, unless the personal data breach is unlikely to result with the risk to the rights and freedoms of natural persons. Personal data breach is considered to be any security breach, which leads to accidental or illegal destruction, loss, change or unauthorized revelation or access to personal data, which have been processed, kept or transmitted.

7. CONTACTS

In case the data subject has an inquiry about how their personal data are used or would like to object to the processing of personal data, they may contact the following e-mail addresses:

sluzbenikzazastitu.ods@hep.hr for HEP-Operator distribucijskog sustava d.o.o. and HEP-NOC

sluzbenikzazastitu.toplinarstvo@hep.hr for HEP-TOPLINARSTVO d.o.o.

sluzbenikzazastitu.plin@hep.hr for HEP-PLIN d.o.o.

sluzbenikzazastitu.opskrba@hep.hr for HEP-Opkrba d.o.o.

sluzbenikzazastitu.elektra@hep.hr for HEP ELEKTRA d.o.o.

sluzbenikzazastitu.hep@hep.hr for HEP d.d. and other HEP Group's companies.

Pursuant to the Regulation, HEP Group's companies shall give the data subject information on actions undertaken upon his or her request, at the latest one month after receiving the request.

That deadline may be extended for additional two months, taking into consideration the complexity and the number of received requests. The data subject shall be informed on any extension within one month from the day of receiving the request, stating the reasons for extension.