

POLICY

Code of Ethics and Conduct

1.11 / 4 / 1

Document Development and Approval:

Owner
Chief of Staff

Approved / Reviewed by	Meeting No.	Decision No.	Date
Internal Governance Committee	17	3	15.12.2021
Management Board	5	4	14.01.2022
Supervisory Board	160	17	25.01.2022

Document History

This document has been issued and amended as follows:

Revision	Issue Date	Approved by
V01	14.01.2015	Supervisory Board
V02	25.01.2022	Supervisory Board

Contents

Acronyms and Abbreviations.....	4
Definitions.....	4
1 Introduction.....	5
1.1 Purpose.....	5
1.2 General considerations.....	5
1.3 Application.....	5
1.4 Compliance.....	6
2 Mission Statement	7
3 Relationship with stakeholders	8
3.1 General	8
3.2 Relationship with our suppliers and business partners	8
3.3 Relationship with Employees	9
3.4 Relationship with society	9
3.5 The Environment.....	9
4 Responsibility of Employees.....	10
5 Implementation and Control	11

Acronyms and Abbreviations

A full list of acronyms and abbreviations can be found in RBR Glossary of Terms and Abbreviations. The following acronyms and abbreviations are used throughout this document:

Abbreviation	Definition
RBGP	Rail Baltica Global Project.
RBR	RB Rail AS, Reg. No 40103845025, a joint stock company registered at the Enterprise Register of the Republic of Latvia, including its branches in Estonia, Latvia and Lithuania.

Definitions

A full list of terms can be found in RBR Glossary of Terms and Abbreviations. The following terms are used throughout this document:

Term	Definition
Code	This Code of Ethics and Conduct.
Employee	Any employee of RBR, including employees of branches of RBR in Estonia, Latvia and Lithuania, as well as the Management Board members and the Supervisory Board members.
Management Board	The management board (<i>valde</i>) of RBR.
Mission Statement	RBR Mission Statement (including any future versions of it).
Supervisory Board	The supervisory board (<i>padome</i>) of RBR.
"us", "we", "our"	RBR as organisation and/or Employees as being part of RBR, as the context may require.
Whistleblowing Policy	Internal governance document approved by the Management Board decision No 2/43/2019 on 5 August 2019.
Working Regulations	Internal governance document approved by the Management Board decision No 5/46/2021 on 10/09/2021.

1 Introduction

1.1 Purpose

1. The purpose of this Code is to embody RBR purpose and values by setting out our collective and individual commitment to conduct business in accordance with the principles and standards of the ethics and applicable laws.

1.2 General considerations

2. As a joint venture created by the three Baltic countries – Estonia, Latvia, and Lithuania – RBR is a company that will play a vital part in the economic and social infrastructures in the three countries as well as a wider region. RBR will *inter alia* design and, to the extent of its authorization, construct a railway connection that will provide services to people and businesses. RBR will do it in an effective, sustainable, and environmentally friendly way.
3. The aim of RBR is to become a top-level project management and infrastructure design and construction management company that will use the available resources most effectively and transparently.
4. Good business ethics at RBR involve high standards of behaviour and are characterised by integrity, honesty and freedom from deception, conflict of interest, fraud, bribery, and corruption. RBR business dealings and relationships should always support and enhance RBR reputation with all its stakeholders.
5. RBR aims to be an open, diverse, and inclusive organisation that can serve as a benchmark in broad range of subjects in question.
6. RBR bases its corporate governance and management practices in fair and ethical business conduct. RBR strongly obeys the European standards on human rights, labour conditions, the environment and anti-corruption as key drivers for sustainable development. RBR strives to act as a united company, based on a common set of values, business principles and performance management.
7. Wherever RBR operates in various jurisdictions, it identifies and works strictly in line with local business regulations and cultural values as well as the European Union guidelines and requirements. It is the objective of RBR to be a good European corporate citizen, living by the letter and spirit of the applicable regulations and best business practice.

1.3 Application

8. The Code is binding to all Employees and it applies to all internal and external activities and interactions of RBR. Each Employee is responsible for acting in accordance with this Code and is encouraged to voice concerns and to highlight examples of good practice.
9. RBR will take any failure to do so seriously, and it may result in disciplinary action up to and including dismissal. Complying with this Code and other RBR policies is a general requirement of any person's involvement with RBR.
10. The Management Board has the ultimate ownership of this Code and performs regular content and compliance reviews. Day-to-day reinforcement and compliance follow-up is part of every manager's responsibility. All operations covered by this Code shall be regularly reviewed.
11. RBR reserves the right to change this Code at the discretion of RBR.

1.4 Compliance

12. We encourage each other to act in accordance with the Code and condemn activities that contradict it.
13. Acts that are inconsistent with the provisions of this Code must be promptly corrected and are subject to review and consequences pursuant to the provisions of internal regulations of RBR (including the [Working Regulations](#)) and/or the applicable laws.
14. The Employees are encouraged to report violations of the Code in accordance with the [Working Regulations](#), or, to the extent it applies, the [Whistleblowing Policy](#), or by otherwise reporting to their direct manager or the Management Board.
15. The Employees who are unsure whether their conduct or the conduct of their colleagues complies with the Code should contact their direct manager, the Legal Department, the Security Department (within the scope of its functions), or the Management Board.
16. Other stakeholders are also encouraged to report violations of the Code by reporting it to any member of the Management Board or the Supervisory Board.
17. The violations of the Code are investigated and otherwise addressed in accordance with the [Working Regulations](#) (in particular, Section 12 of the [Working Regulations](#)), or, to the extent it applies, the [Whistleblowing Policy](#).
18. Regardless of the reporting channel, all allegations of potential violations that are made in good faith will receive a swift, fair, and comprehensive investigation conducted with the relevant internal and/or external assistance. The persons reporting will not be punished and will not experience any inconveniences or sanctions irrespective of the result of investigations. Anonymous reports may be subject to additional prior scrutiny and different treatment than the reports received from identifiable persons (the latter being encouraged).

END OF SECTION 1

2 Mission Statement

19. RBR Purpose, Mission, Vision and Values (Mission Statement) are enshrined in the exhibit below:



20. By **People** we mean all the people and communities who will benefit from Rail Baltica railway. We truly value our Employees working in the environment which contributes to successful and efficient teamwork and shapes our relations with stakeholders based on trust, respect and transparency.
21. By **Professionalism** we mean personal and technical skills, ability to identify and solve problems, to adapt and to work efficiently in different situations and to carry out a variety of tasks, ability to set and reach goals and strive for personal development.
22. By **Purpose** we mean strong adherence and ability to provide each personal contribution towards RBR Mission, Vision and Values and for the benefit of society.
23. The Mission Statement is subject to changes from time to time pursuant to the respective resolutions of the Supervisory Board and/or the Management Board. The most up to date version of the Mission Statement at any time should be considered as incorporated by reference into the Code.

END OF SECTION 2

3 Relationship with stakeholders

24. RBR interacts with a variety of stakeholders: governments of Estonia, Latvia, Lithuania, Poland and Finland, the European Union institutions, regulatory bodies, state and municipal institutions, state or municipality owned companies, contractors and other business partners and market players, Employees, mass media as well as the general communities in which we operate.

3.1 General

25. Our relationships and communication shall be honest, fact-based and transparent within the bounds of commercial confidentiality. We rely on our good reputation and trust of stakeholders, value interaction and therefore encourage constructive dialogue with all our existing and future stakeholders.
26. We value our stakeholders and their interests. We believe in transparent management of RBR, and we always act in the best interests of RBR and its stakeholders.
27. We are all responsible for creating a good working climate, and we treat others the way we want to be treated, in a professional and fair manner. We handle conflicts constructively by showing trust and integrity.
28. Our stakeholders should experience us as easy and rewarding to deal with and recognize that we deliver on our promises. We are fully accountable for all our activities and decisions.
29. RBR joins the resources, both human and financial, from Estonia, Latvia and Lithuania as well as makes effective use of resources available under the European Union financing instruments to make investments that will drive development and change in the region. Planning and fast implementation are crucial. Co-operation is vital. Every stakeholder's and partner's competence and commitment will be put to good use.
30. We strive to share knowledge and collaborate on teams and across borders as well as use our resources efficiently. We take follow up and give feedback to ensure that we foster sustainable solutions.
31. RBR strives for a long-term and sustainable development of shareholder value. We shall inform our shareholders and the market of all major developments that affect the RBGP and financials of RBR promptly and transparently.
32. The Supervisory Board and the Management Board members are truthful in our financial and non-financial communication, and information is given to the best of our knowledge. Our aim is full accountability and transparency.

3.2 Relationship with our suppliers and business partners

33. RBR aims to be a reliable partner to suppliers and contractors. We focus on long-term good business relations and healthy cooperation. We expect our suppliers and contractors to support the European standards on human rights, labour conditions, the environment and anti-corruption. We encourage our suppliers to align their operations with principles that are similar to this Code as RBR considers this as an important criterion when establishing or continuing business relations.
34. In our operations we do not pay or receive bribes or other illegal payments to obtain or retain business. We acknowledge the extensive purchasing power RBR has, and its possible effects on our business relations. We select suppliers purely on the basis of merit and make clear to all suppliers that we expect them to compete fairly and actively for our business.

35. We select and evaluate suppliers and subcontractors on the basis of predetermined criteria such as quality, price, availability, delivery, reliability, service and corporate responsibility requirements, which include social and environmental aspects. Adherence to the principles shall be an integral part of legal contracts and agreements with suppliers.
36. Business decisions and actions shall be based on the best interests of RBR and its shareholders. Therefore, decisions may not be motivated by personal relationships or interests and these shall not affect our independent and sound judgement.

3.3 Relationship with Employees

37. RBR recognises that the most important source of value creation in RBR is its people with their knowledge, experience, competencies, and motivation. Our aim is to be a fair employer and we strive to attract, develop and retain qualified and motivated people in a professional working environment.
38. RBR aims to provide and constantly improve a safe and healthy workplace by ensuring safety in work processes, preventing and reacting to conditions of ill health and supporting measures to promote health and well-being. We will devote the necessary resources for constant development of our personnel and officers.
39. We are committed to providing Employees with a workplace where we will not tolerate any form of violence, abusive language or bullying.
40. Within RBR we profess value-based competencies and culture of work through conduct suitable for high performance working environment, treat each other with trust and respect, and avoid unethical and socially hostile behaviours and psychological violence towards each other.

3.4 Relationship with Society

41. RBR will have a direct or indirect impact on the societies and markets in which it operates. Our objective is to be a good European corporate citizen. Subject to security considerations, we are open in providing information to the public, always trustable and accurate.
42. RBR does not engage in the politics of the countries in which we operate, nor do we make political donations. We do not comment on politics or make political statements when representing RBR. However, RBR shall engage in dialogue regarding regulations that affect our line of business.

3.5 The Environment

43. RBR is committed to conducting its business in an environmentally sustainable way. We contribute to global sustainability (i) by developing, promoting and utilizing resource-efficient and environmentally friendly services and (ii) through our actions to minimize the environmental impact of our own activities.
44. In our own operations we aim for efficient use of raw materials and energy as well as to minimize related waste and CO2 emissions. Together with our partners and customers, we aim to reduce our carbon footprint, thereby fighting the climate change.

END OF SECTION 3

4 Responsibility of Employees

45. The following principles are among the core principles of ethical conduct that the Employees are expected to respect and promote in fulfilling their duties:
- 45.1. to act and fulfil their duties in good faith,
 - 45.2. to act with high sense of responsibility and always foreseeing the consequences of their actions (or inaction) and their affect to the interests and goals of RBR and RBGP,
 - 45.3. to ensure that the decisions are made based on the considerations of justice, objectivity and equality,
 - 45.4. to preserve independence and objectivity and not allow any personal interests to prevail,
 - 45.5. to maintain high level of loyalty to the interests and goals of RBR and RBGP, as well as
 - 45.6. to be diligent and accurate.
46. The Employees shall act in compliance with the applicable laws in their professional and personal activities. In case appropriate norms of behaviour are not set for certain situation by this Code or other legal acts, the behaviour shall be in compliance with the best standards of reliability, fairness and transparency applicable for society in general.
47. All Employees shall exercise special care to prevent unauthorized disclosure or inappropriate use of RBR confidential (limited and restricted accessibility) information. However, we aim for openness, and encourage exchange of knowledge and experience within the boundaries of confidentiality.
48. Employees shall avoid any contacts that might lead to or suggest a conflict of interest between personal activities and the business of RBR. Business gifts or hospitality shall be offered or accepted only in accordance with the applicable laws and permitted business practices.
49. When representing RBR in public communication, the Employees should represent the internally aligned position of RBR. Any disagreements among Employees in this respect are primarily resolved internally within RBR. We do not publicly make negative or offensive statements about other Employees, the Management Board, the Supervisory Board or RBR. Criticism is encouraged, but it should primarily be addressed internally within RBR in accordance with the internal subordination structure or paragraph 14 of this Code.
50. The Employees are also expected to:
- 50.1. use their judgment to act, at all times and in all ways, in the best interests of RBR,
 - 50.2. perform their duties with honesty, care, diligence, professionalism, impartiality and integrity,
 - 50.3. strive for the highest ethical standards to sustain the trust and confidence of the stakeholders, not just the minimum required to meet legal or procedural requirements,
 - 50.4. avoid any acts in their professional or personal lives that may adversely affect the reputation of RBR,
 - 50.5. strive to act in a manner that is in accordance with the Code, including with respect to any matters that in the Code are referred to as the aim, intention, undertaking, statement etc. by RBR as an organization.

END OF SECTION 4

5 Implementation and Control

51. The Management Board with assistance of the Chief of Staff is responsible for the implementation of the Code and *inter alia* shall evaluate the necessity to organize training to Employees on the principles of the Code and to ensure such training to ensure the uniform application of the Code within RBR.
52. The Supervisory Board ensures control over the implementation of Code by requesting the Management Board to report on the implementation on an annual basis. In the case of a material breach of the Code, the Management Board shall promptly inform the Supervisory Board on each case by providing full and true information on the case. The Supervisory Board is entitled to request and the Management Board shall provide any information on prospective breach of the Code.

END OF SECTION 5