



AGREEMENT

**FOR JOB ASSESSMENT, MAPPING AND COMPENSATION PRACTICE BENCHMARKING SERVICES IN
LATVIA, LITHUANIA AND ESTONIA**

**between
RB RAIL AS
and
UAB "Hay Group"**

Agreement No. RBCR-RBR-AGR-Z-00002

Agreement registration No 1.19/LV-2023-16

This Agreement is co-financed from Connecting Europe Facility ("CEF") Grant Agreement No
INEA/CEF/TRAN/M2019/2098304

Riga
2023

AGREEMENT

Riga, on THE DATE INDICATED ON THE TIMESTAMP OF THE LAST SIGNATURE OF THE DOCUMENT, hereinafter – the “Effective Date”,

“Hay Group” UAB, a limited liability company registered with State Enterprise Centre of Registers of the Republic of Lithuania under registration number 300149043, legal address Šeimyniškių str. 1a, LT-09312 Vilnius, further referred to as the “Contractor”, represented by Renata Vėbrienė, according to the Power of Attorney No 9, dated 30 June 2022, on the one part, and

RB Rail AS, a joint stock company registered with the Enterprise Register of the Republic of Latvia under registration number 40103845025, legal address: Satekles iela 2B, Riga, LV-1050, represented by Member of the Management Board Marius Narmontas according to the Regulation on Representation Rights dated 14 April 2023, further referred to as the “Principal”, on the other part, hereinafter collectively referred to as – the “Parties” and individually as the - “Party”,

based on the results of the procurement “RB Rail AS job assessment, mapping and compensation practice benchmark in Latvia, Lithuania and Estonia” identification No RBR 2023/3 (hereinafter – the “Procurement”) conclude the following agreement (hereinafter – the “Agreement”):

1. SUBJECT OF THE AGREEMENT

- 1.1. The Contractor in compliance with the terms of the Agreement and Annex 1 “Technical specification” provides the Principal with the following human resource management services (hereinafter – the “Services”):
 - 1.1.1. job assessment for all listed positions (approximately 155 roles) and interviews with respective managers indicated by the Principal;
 - 1.1.2. job mapping (in MS Excel format);
 - 1.1.3. Principal’s company compensation practice benchmark to Latvia’s, Lithuania’s and Estonia’s compensation markets (Excel format and/or access to the database.);
 - 1.1.4. prepare and present the job mapping (Clause **Error! Reference source not found.**) and benchmarking (Clause **Error! Reference source not found.**) results and recommendations to the Principal’s management board (up to two (2) presentations, up to four (4) hours each);
 - 1.1.5. provide access to the Contractors on-line database *PayNet* for Latvia’s, Lithuania’s and Estonia’s pay market data 2022 “Pay Database Bundle” for up to five (5) user accounts as per the Principal’s request.
- 1.2. The Contractor undertakes to complete Services under Clause **Error! Reference source not found.** of Agreement in the procedure and term specified under the Annex 1: “Technical specification.
- 1.3. The Contractor undertakes to provide an uninterrupted access for the Principal to the Contractor’s database (Clause **Error! Reference source not found.**) for twelve (12) months from the Effective Date of the Agreement.
- 1.4. The Contractor commences performance of the Services on the Effective Date and shall complete the Services within the deadlines specified under the Annex 1: “Technical specification.

2. AGREEMENT VALUE

- 2.1. The total fee for the Services under Clause is 23 200,00 EUR (twenty-three thousand two hundred euro, 00 cents) excluding VAT.

3. PAYMENTS

- 3.1. Payment is made only for the Services which are of good quality and in compliance with the provisions of the Agreement, as evidenced by a mutually signed deed of acceptance of the Parties, by a wire transfer to the Contractor's bank account.
- 3.2. Following the completion of the Services under Clause **Error! Reference source not found.** and once the initial access to the on-line database has been provided under Clause **Error! Reference source not found.** the Contractor shall prepare and sign a deed of acceptance in two (2) copies together with an invoice for the provided Services and submit them to the Principal. The Principal shall review the submitted documents within ten (10) business days and, if the Principal has no objections to the provided Services or the information specified in the documents, it shall sign the deed of acceptance submitted by the Contractor and return one (1) copy to the Contractor. If the Principal objects to the quality of the provided Services or the information reflected in the documents, the Principal shall inform the Contractor and the Contractor shall immediately eliminate the identified deficiencies. The Contractor shall prepare the said documents in the form of electronic documents and send them to the Principal's e-mail: invoices@railbaltica.org.
- 3.3. The Principal shall pay for the Services within thirty (30) days after the date of signing the deed of acceptance and receipt of the corresponding invoice under Clause **Error! Reference source not found.** of the Agreement from the Contractor. The Principal reserves the right to withhold any accrued contractual penalties or tax, if applicable and in accordance with the applicable Law and regulations of the Republic of Latvia.
- 3.4. The Invoice must contain at least the following information

Principal	RB Rail AS
Registration number	40103845025
VAT number	LV40103845025
Address	Satekles iela 2B, Riga, LV-1050
Contractor	UAB "Hay Group"
Registration number	300149043
VAT number or indication that the Contractor is not a VAT payer	LT100001936511
Address (street; house; region; country; postal code)	ŠEIMYNIŠKIŲ G. 1A, LT-09312, VILNIUS
Name of the bank	AB SEB BANKAS
Bank SWIFT code	CBVILT2X
Bank account number (IBAN)	LT407044060007896633
Invoice information	Procurement identification No RBR 2023/3, Contact person: Renata Vėbrienė, phone: +37060120210, e-mail: Renata.Vebriene@KornFerry.com
Agreement No	1.19/LV-2023-16
Activity No	CEF Agreement No CEF6 Studies activity No 9 PISM

- 3.5. VAT shall be calculated according to the laws of the Republic of Latvia.
- 3.6. Payment shall be considered as made when the Principal has made a payment from his bank account.
- 3.7. The Parties agree to recognise as valid and payable invoices prepared electronically without a signature.

4. CONFIDENTIALITY

- 4.1. The Parties undertake to respect the confidentiality of information received from the other Party, not to disclose such information to third parties, except in cases and accordance with the procedures specified by law.
- 4.2. The confidentiality clause applies to written information as well as oral information, electronic information, and any other information, regardless of the manner, time, and place of a transmission.
- 4.3. This confidentiality clause is valid during the performance of the Agreement and shall survive for indefinite period of time after the expiry of the term of this Agreement.

5. INTELLECTUAL PROPERTY

- 5.1. Contractor reserves all intellectual property rights for job mapping methodology that is used for the provision of the Services. The job mapping methodology may not be passed on to third parties, except the companies associated with the Principal, without the Contractor's permission.
- 5.2. All and any parts of the Deliverables developed under this Agreement is and shall become the property of the Principal at the moment of creation regardless of whether the Services or Deliverable is produced or finally accepted. It is acknowledged and agreed by the Parties that the Principal shall be permitted to use and reproduce the Deliverable without any approval of the other Parties and without incurring obligation to pay any royalties or additional compensation whatsoever to the Contractor. For the avoidance of any doubt, such title and ownership shall confer upon the Principal, without limitation, each of the following:
 - 5.2.1. the right to reproduce the Deliverables and information and/or data included therein, or any part thereof, and distribute copies of the Deliverable and information or any part thereof to its associated entities and to the Beneficiaries, auditors and the Authorised persons;
 - 5.2.2. the right to modify, amend and supplement the Deliverables or any part thereof;
 - 5.2.3. the right to licence the Deliverables or any part thereof, for use by others; and
 - 5.2.4. the right to transfer ownership in the Deliverables or any part thereof, to others.
- 5.3. The Contractor hereby warrants that it shall obtain from any personnel, approved Sub-contractors and approved staff, and grants to the Principal an exclusive licence to use the personal Intellectual Property rights pertaining to the Deliverables. The licence shall be valid for the statutory time period applicable to the protection of the respective Intellectual Property rights.
- 5.4. It is acknowledged and agreed by the Parties that consideration for the transfer of ownership of the Intellectual Property shall be forming part of the Fee and no additional royalty, fee or other consideration of any kind shall be payable by the Principal to the Contractor or to any third party in consideration of the transfer of ownership of the Intellectual Property in Deliverable or any part thereof.
- 5.5. The Contractor represents and warrants to the Principal that no information or data deliverable to the Principal under the terms of this Agreement shall infringe any existing Intellectual Property rights of any third party. In the event any of the representations or warranties contained in this Clause prove to be untrue or inaccurate, the Contractor undertakes at its own cost and expense to defend and settle any claim raised by any third party alleging infringement of Intellectual Property rights in Deliverable or any information or data included therein.

6. QUALITY

- 6.1. The Contractor shall ensure high quality of all Services specified in this Agreement and the Annex 1: Technical specification and compliance with the provisions thereof.

7. SECURITY CLEARANCE

- 7.1. The Contractor shall not involve in the performance of the Agreement a person (employees, sub-contractors and/or any other person and personnel) of whom there are known facts that give grounds to doubt his or her ability to retain restricted access and/or classified information, as well as a person who has or may have a conflict of interest by involving him in the performance of the obligations under this Agreement.
- 7.2. In order to assess the compliance of the individual, whom the Contractor intends to involve in the performance of the Agreement with the requirements specified in Clause **Error! Reference source not found.**, the Principal has the right to organise an additional security compliance check.
- 7.3. The Contractor undertakes to inform the individual involved in the performance of the Agreement about the processing of personal data performed by the Principal when organizing a security compliance check.
- 7.4. The Contractor shall submit to the Principal in writing at least ten (10) business days prior to the engagement of any individual in the performance of the Agreement the following information of the person: name, surname, personal identification code (or equivalent personal identification information), place of birth, position, company name (in case engaged staff of sub-contractor), e-mail. At the Principal's request, the Contractor shall also submit a brief description of the role and responsibilities of the individual in the performance of the Agreement.
- 7.5. The Principal has the right, at its own discretion, to prohibit an individual specified by the Contractor from performing tasks related to the performance of the Agreement by notifying the Contractor thereof in writing, if the requirements referred to in this section of the Agreement are not complied with. The Parties agree that such decision of the Principal may not be disputed.
- 7.6. If the Principal discharges an individual specified by the Contractor from performing the tasks related to the performance of the Agreement, the Contractor shall replace this individual by notifying the Principal in accordance with the procedure provided for under Clause **Error! Reference source not found.** of the Agreement.
- 7.7. If the Contractor cannot replace an individual or if its replacement would cause disproportionately high expenses to the Contractor, the Contractor shall immediately provide the Principal with a motivated explanation and the Parties shall try to agree on possible conditions and procedures under which this individual may perform tasks related to the performance of the Agreement.
- 7.8. The Contractor shall take all necessary actions and measures in a timely manner to ensure that an individual is not involved in the performance of the Contract or the involvement is immediately terminated if the individual does not comply with Clause **Error! Reference source not found.** of this Agreement, otherwise creates or may create security risks to the Principal, incl. risks to the Principal's information systems, information or data, as well as risks to the Principal's reputation or operations.
- 7.9. The Contractor is obliged to provide:
- 7.9.1. that an individual who does not comply with the security clearance requirements is not engaged in the performance of the Agreement;
- 7.9.2. to immediately replace an individual who does not comply with the requirements of the security clearance in accordance with the provisions of this Agreement (and/or with the requirements of the Public Procurement Law);
- 7.9.3. to comply with and not to dispute the Principal's written instructions and decisions in accordance with Section **Error! Reference source not found.** of the Agreement;
- 7.9.4. to provide the Principal with all the necessary information and support related to the necessity to replace an individual.

- 7.10. In any case, the Contractor shall immediately notify the Principal in writing of any situation that has arisen before the start and during the performance of the Agreement, as a result of which there is or may be a risk of involving an individual who does not comply with the security clearance requirements of Section **Error! Reference source not found.** of this Agreement, as well as notifies the Principal in writing of the replacement of such individual involved in the performance of the Agreement.
- 7.11. If the Contractor violates the conditions referred to in Section **Error! Reference source not found.** of this Agreement then it constitutes a material breach of the Agreement and grounds for the Principal to unilaterally terminate the Agreement by notifying the Contractor in writing 1 (one) business day in advance.

8. DISPUTE RESOLUTION

- 8.1. The Agreement has been prepared in accordance with the laws of the Republic of Latvia and the laws of the Republic of Latvia shall be applied to the obligations arising from it.
- 8.2. All disputes between the parties regarding the conclusion and/or execution of this Agreement will be settled by mutual negotiations. In case of failure of mutual negotiations, the dispute will be settled by the courts of the Republic of Latvia.

9. RESPONSIBILITIES AND LIABILITY OF THE PARTIES

- 9.1. The Parties shall be liable to each other for non-performance or of their obligations set out under this Agreement or failure to perform, and they undertake to indemnify each other for all losses incurred in this regard.
- 9.2. For the delay of the payment terms specified in the Agreement, the Principal shall pay to the Contractor a contractual penalty in the amount of 0.5% (zero point five percent) of the amount of the overdue payment for each business day of delay, but not exceeding 10% (ten percent) of the amount of the overdue payment. Payment of the contractual penalty does not release the Party from the fulfilment of other obligations set out under this Agreement and from compensation of losses.
- 9.3. If the Contractor does not provide the Services in the quality specified under the Agreement or is in breach of the terms and conditions of this Agreement or its annexes, or fails to perform in accordance with the Agreement, then, without prejudice to any other rights or remedies available to the Principal, the Principal shall be entitled to charge to the Contractor a penalty in the amount of 0.5% (zero point five per cent) of the total value of the Contract as per Clause **Error! Reference source not found.** for each day of delay or failure to perform, or breach, but not more than 10 (ten) per cent of the total amount, until the respective failure or breach is remedied.
- 9.4. The Contractor represents and warrants to the Principal, as of the Effective Date and during the entire term of the Agreement, as follows:
- 9.4.1. The Contractor has all requisite qualification, skills and competence to perform the Services on the terms and conditions of this Agreement;
 - 9.4.2. it holds all requisite licenses, permits, authorisations, approvals and consents necessary to enable performance by the Contractor of the Services according to the Technical Specification;
 - 9.4.3. it has all requisite ability to ensure the quality of the Services as per Clause **Error! Reference source not found.** of this Contract;
 - 9.4.4. it will assign competent and duly qualified personnel to carry out the Services set out in this Agreement and applying the highest professional standard and good industry practice;
 - 9.4.5. it has been registered as a VAT payer according to the Applicable Law;
 - 9.4.6. to provide to the Principal the up-to-date Residence Certificate as per the terms of the applicable Law and Regulations of the Republic of Latvia, and to liaise with the Principal on any follow-up

issues in this respect, if the Contractor is non-resident of the Republic of Latvia for corporate tax purposes;

- 9.4.7. it is compliant with all the requirements of the Contractor's Declaration (<https://www.railbaltica.org/procurement/procurement-regulation-supplier-qualification/>) and will continue to be compliant with all such requirements during the term of this Agreement.

10. TERM OF THE AGREEMENT

- 10.1. The Agreement comes into force on the Effective Date and is valid until the full discharge of mutual obligations of the Parties.
- 10.2. The Principal is entitled to terminate this Agreement unilaterally, if the Contractor is in breach of the Contract or fails to fulfil its obligations according to the terms of this Agreement. In the event of the breach or failure by the Contractor the Principal shall send a written claim to the Contractor by setting out the grace period of at least 14 (fourteen) days from the date of this claim allowing the Contractor to rectify the failure or the breach. If the Contractor fails to fulfil its obligations by the end of this grace period set out according to this Clause, the Principal reserves the right to unilaterally terminate the Agreement, by sending a written Notice of Termination.
- 10.3. The Principal is entitled to terminate the Agreement unilaterally as of the day of the Notice of Termination in the following cases:
- 10.3.1. if the Contractor fails to fulfil its obligations set out under this Agreement or applicable Laws and statutory regulations regarding the protection of personal data, confidentiality, and security of information, and failure to comply with the provision of Section 7 of this Agreement;
- 10.3.2. the European Union's Connecting Europe Facility (CEF) co-funding for further financing of the Services is not available to Principal;
- 10.3.3. it is not possible to execute the Agreement due to the application of international or national sanctions, or those of a European Union or North Atlantic Treaty Organization significantly affecting interests of financial or capital market, as well as, if any of the Contractor's or its Approved Sub-contractor's personnel, Members of the Management Board and/or the Supervisory Board or the beneficiaries of the Contractor or Approved Sub-contractor have been affected or become the subjects to the international or national sanctions.
- 10.4. In the event of termination of the Agreement, except for the one under Clause **Error! Reference source not found.**, the Parties shall fulfil their obligations that have arisen before the termination of the Agreement.

11. ON-SITE INSPECTIONS

- 11.1. The Principal, by notifying the Contractor in writing 5 (five) business days in advance, and in case it is planned to inspect without prior notice, without notifying the Contractor in advance, is entitled to carry out an inspection at the Contractor's premises. On-site inspections at the Contractor may be performed by the Principal's employees or any other independent inspectors, auditors or other body to which the Principal has delegated such rights (the Authorised Person). The rights of the Principal or the Authorised Person to perform such audits shall apply for the term of the Agreement and period of 5 (five) years following the expiry or termination of the Agreement.
- 11.2. All information obtained during the inspections shall be treated as confidential. The Principal shall ensure that its employees and Authorised Person to whom the Principal has delegated the right to perform inspections related to the performance of the Agreement comply with the obligations of confidentiality.
- 11.3. The Contractor must ensure that the Principal's employees or Authorised Persons to which the Principal has delegated the right to perform inspections related to the performance of the Agreement have access to all necessary information and documents related to the performance of the Agreement,

including information in electronic form. reproduce information and documents while respecting confidentiality obligations.

- 11.4. By virtue of Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities, Regulation (EU, Euratom) No 883/2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and other legislation and documentation relating to European Union grant awarding and subsequent monitoring processes, the European Commission; the European Anti-Fraud Office, the European Climate, Infrastructure and Environment Executive Agency, the European Court of Auditors and other European Union institutions and bodies might perform checks, reviews, audits and investigations towards Contractor in case such activities are related to the use of grants awarded.

12. VISIBILITY REQUIREMENTS

12.1. The Contractor is obliged to comply with the following visibility requirements:

- 12.1.1. Any reports, brochures, other documents or information connected with Services and/or Goods which the Contractor produces and submits to the RBR, any other third person or makes publicly available, insofar as such reports, brochures, other documents or information have to be or have been produced specifically for the provision of Services and/or Goods must include the following:
- 12.1.1.1. a funding statement stating that the Services are co-funded by CEF: "Co-funded by the European Union";
- 12.1.1.2. with respect to printed materials, a disclaimer releasing the European Union from liability with respect to any contents of any distributed materials substantially in the form as follows: "Views and opinions expressed are those of the author(s) only and do not necessarily reflect those of the European Union. Only the author can be held responsible for them". The disclaimer in all official languages of the European Union can be viewed on the website https://cinea.ec.europa.eu/communication-toolkit_en;
- 12.1.1.3. the European Union flag.
- 12.1.2. Requirements set in Clause **Error! Reference source not found.** and **Error! Reference source not found.** shall be fulfilled by using the following logo:



**Co-funded by
the European Union**

- 12.1.3. If the Contractor shall use this logo, the Contractor shall ensure that elements of the logo will not be separated (the logo will be used as one whole unit) and enough free space around the logo shall be ensured.
- 12.1.4. The Contractor is obliged to comply with the latest visibility requirements set by the European Union. For that purpose, the Contractor shall follow the changes in the visibility requirements on its own. On the date of the conclusion of this Agreement the visibility requirements are published on the following website: https://cinea.ec.europa.eu/communication-toolkit_en.

13. FORCE MAJEURE

- 13.1. The Parties shall be released from liability for partial or complete non-performance of any obligations under the Agreement, if such non-performance is due to unpredictable and exceptional circumstances, which began after the signing of the Agreement and which the Parties could not foresee and prevent, the force majeure circumstances have not arisen due to the error or negligence on the part of the Party, as well as the Party has undertaken any measures available to it in order to

prevent or limit the amount of losses or damage caused by such force majeure circumstances, or such losses or damage have proven to be inevitable in spite of exercising all due diligence.

- 13.2. Such circumstances include a fire accident, war, epidemic, natural disaster, as well as other circumstances beyond the control and influence of the Parties.
- 13.3. Non-performance or delay in performance of obligations by sub-contractors, suppliers, and other parties involved shall not be considered a force majeure event.
- 13.4. The Party referring to the occurrence of unpredictable and exceptional circumstances shall notify the other Party thereof within 3 (three) business days, indicating the possible term for the fulfilment of obligations.
- 13.5. If due to unpredictable and exceptional circumstances the performance of the Agreement is delayed for more than 30 (thirty) calendar days, each of the Parties has the right to terminate the Agreement unilaterally. If the Agreement is terminated in this way, neither Party shall have the right to claim damages from the other Party.

14. GENERAL TERMS

- 14.1. The Agreement contains the complete agreement of the Parties, the Parties have read its content and agree with all its clauses and confirm this by signing the Agreement.
- 14.2. The Parties shall have the right to process personal data obtained from the other Party only to fulfil the obligations under this Agreement, while ensuring compliance with the requirements of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons concerning the processing of personal data and the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
- 14.3. In case sub-contractors are involved in the performance of the Agreement, the Contractor shall be liable to the Principal for the proper performance of their obligations as if it had performed the relevant part of the Agreement. The replacement of sub-contractors involved in the performance of the Agreement and the attraction of a new sub-contractor must be ensured in accordance with Article 62 of the Public Procurement Law.
- 14.4. The present Agreement is prepared and concluded as an electronic document in Latvian and English languages. In case of any discrepancies between the Latvian and English version of the Agreement, the Latvian version shall prevail.
- 14.5. All amendments of this Agreement shall be made in written form in the Latvian and English languages and shall be confirmed by signatures of both Parties.
- 14.6. All written correspondence shall be deemed to have been received on the relevant business day if it has been sent to the e-mail addresses indicated by the authorized persons of the Parties on business days from 09:00 to 18:00.
- 14.7. If any provision of the Agreement becomes invalid, it does not affect the other provisions. Such invalid provisions shall be replaced by other provisions consistent with the purpose and content of the Agreement.
- 14.8. The Parties shall notify each other of the change of the authorized persons, legal status, legal or correspondence address and bank details, its reorganization or liquidation within 5 (five) business days by sending a registered notice, which becomes an integral part of the Agreement.
- 14.9. The Parties agree that the issues related to the performance of the Agreement will be resolved by the following authorized persons of the Parties:
 - 14.9.1. on the part of the Principal – Vija Vītola, RB Rail AS Head of HRM and Administration Department, phone: +37129230079, e-mail vija.vitola@railbaltica.org.
 - 14.9.2. on the part of the Contractor – Renata Vėbrienė, phone: +37060120210, e-mail: Renata.Vebriene@KornFerry.com.

14.10. The Agreement and its annexes are prepared on 26 (twenty-six) pages and has the following annexes:

14.10.1. Annex 1: Technical specification on 8 (eight) pages;

14.10.2. Annex 2: Tenderers proposal on 8 (eight) pages.

15. SIGNATURES

For and on behalf of the Principal:

Name, title: Marius Narmontas, Member of the
Management Board

For and on behalf of the Contractor:

Name, title: Renata Vėbrienė, Head of
Korn Ferry Digital team Baltics