

RISK MANAGEMENT POLICY

RB Rail AS, reg. No 40103845025, (hereinafter, RB Rail) recognizes the importance of effective risk management for the success of Rail Baltica Global Project. RB Rail is committed to establish and maintain an integrated Risk Management framework as an integral part of RB Rail corporate and Rail Baltica Global project management, that is committed to turn risk into value.

Goals:

- **Roles and Risk Identification:** The Risk Policy ensures that risks originating from all potential sources across RB Rail and the Rail Baltica Global project are identified, assessed, evaluated, managed, controlled, monitored, and reported. This comprehensive approach aims to achieve RB Rail's risk management objectives and strategic targets.
- **Risk Ownership:** Every identified risk is assigned to specific owners to ensure the accuracy, completeness, and up-to-datedness of the risk management process and associated data.
- **Risk Management:** The Risk Policy emphasizes the transformation of risks into value, highlighting the proactive management of risks to maximize opportunities and minimize potential negative impacts.
- **Risk Appetite:** The Risk Policy defines the organization's risk appetite, establishing clear boundaries and thresholds for risk-taking.
- **Risk Culture:** RB Rail fosters a strong risk culture by establishing common guidelines that are applied consistently throughout the Rail Baltica Global project. This culture is cultivated through effective governance, a tone set by top management, and efficient coordination of risk management activities.
- **Risk Awareness:** The Risk Policy includes measures such as trainings, lessons learned sessions, and other risk mitigation activities. These initiatives are implemented to continuously raise risk awareness among RB Rail employees and, when necessary, other stakeholders involved in the Rail Baltica Global project implementation.

Commitments:

RB Rail is fully committed to effectively managing risks in line with the following principles:

- **Principle of Independent Oversight:** To fulfil their duties, employees involved in risk management have the ultimate right to access any information at any time. They also possess the authority to escalate risk-related matters directly to the Management Board. Clear segregation of duties must be maintained at all levels, including the Management Board, ensuring that risk-taking units (risk owners) operate separately. Employees in risk management roles should be held accountable independently and should not bear responsibility for operational decision making or actions, nor be held responsible for economic outcomes.
- **Principle of Proportionality:** Risk management activities should concentrate on relevant and significant risks. These activities must align with the specific nature, scale, and complexity of risks inherent to RB Rail and the Rail Baltica Global project. They should consider the external environment and the strategic objectives of the business operations.
- **Principle of Transparency:** Transparency is vital in risk management, facilitating a comprehensive understanding of risks and enabling the balance of risks against strategic and operational targets. Employees involved in risk management should provide timely, relevant, and comprehensive information on risk exposures to the Management Board, Supervisory Board, and other relevant stakeholders. This transparency forms the foundation for successful risk management.

- Training and Education: To ensure that all employees understand their responsibilities within the risk management framework, comprehensive training on the risk management process and relevant procedures will be provided to all staff members.
- Policy Review: Regular reviews of this Policy statement will be conducted to ensure its ongoing relevance and effectiveness. Updates and revisions will be made as necessary to accommodate changes in technology, industry standards, and legal requirements.

This Risk management Policy statement will be implemented through the following measures:

- Risk Management System: RB Rail will establish, document, and maintain a risk management system that meets the requirements of this policy statement.
- Training and Education: All employees of RB Rail will be trained on the Risk Management Policy and relevant procedures to ensure that they understand their responsibilities and how to use the Risk Management System.
- Compliance Monitoring: Compliance with the Risk Management Policy and relevant procedures will be monitored regularly to ensure that they are effective and that all employees of RB Rail are following them.

Signed

Date: 2023-07-17.

CEO COO CESGO CPMO CTO

