

C.T.Co Code of Conduct

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1. Introduction

The Code of Conduct is developed to promote and maintain the core principles of C.T.Co (hereinafter referred to as Company) in conducting its business. The topics included in this Code of Conduct are intended as guides to fair and ethical business approach in all its aspects.

The Code of Conduct applies to all Company Employees. It also applies to any other person acting on the behalf of Company, whether working on- or off-site.

2. Terms and Abbreviations

| Terms and Abbreviations | Definition |
|-------------------------|---|
| Bribe | A bribe is a form of Corruption, including but not limited to: <ul style="list-style-type: none"> • Any payment, offer or promises in the form of financial benefit or any other benefit, directly or indirectly, to any person with the purpose of making this person to act or refrain from acting in respect to performance of job duties in order to obtain or retain business benefits or other inadequate benefits. • Any offer to any person with an intention to promote inadequate action or compensate for inadequate action. |
| Bribery | Bribery is giving or receiving financial, property-related or any other benefits, whether personally or via an intermediary, to any person who using his or her rank would perform or fail to perform an action in the interests of the briber. |
| Corruption | Corruption is inducement to wrong actions by improper or unlawful means (such as Bribery). |
| Customer | A private person or a legal entity that buys a product or service from the Company. |
| Employee | An individual who has signed the Employment Agreement (whether temporary, fixed-term, or permanent). |
| Executive Management | Group of high level Company stakeholders/roles or functional executives (Chief Financial Officer and Chief Strategy Officer) bearing responsibility for successful implementation of the operational/strategic decisions aimed to Company development, authorized to allocate necessary resources and handle escalated issues. |
| Personal Relationships | Relationships between friends, family members and people involved in a love affair. |
| Secondary Employment | Secondary employment means any employment with an organization other than C.T.Co (e.g. self-employment, independent contracting or consulting, employment by a family company, etc.). |
| Sexual Harassment | Sexual Harassment is a form of discrimination and includes unwelcome attention of sexual nature. It includes a range of behaviors from seemingly mild transgressions and annoyances to actual abuse or sexual assault. Anyone from either gender can be a victim of Sexual Harassment and anybody from either gender can be a perpetrator. |
| 3 rd Party | Someone who may be directly or indirectly involved into collaboration with the Company, except Company Employees (e.g. Customer, Supplier, Business Partner, Public Services, etc.). |

3. Ethics in Our Business Activities

3.1. Collaboration and Communication

Our Company believes that good and effective communication is an essential tool in achieving productivity and maintaining strong, lasting working relationships at all levels of the Company.

Our Company expects that all Employees behave professionally, either being at work, traveling on business trip, communicating online or at corporate events with colleagues or Customers. It means that all Employees shall:

- Be friendly and collaborative.
- Treat colleagues and other stakeholders with respect, fairness and courtesy.

The responsibility of all Employees is also to preserve the safety and confidentiality of information handled by the Company and obtained working with other stakeholders.

3.2. Discrimination and Harassment

C.T.Co is an equal opportunity Employer. Our Company strives to ensure that the work environment is free of discrimination and harassment.

Each Employee shall also ensure that he/she will never verbally or physically mistreat others or engage in offensive behaviour and will not tolerate those who does. This includes harassing, bullying, abusive or intimidating treatment, inappropriate language or gestures, disorderly conduct, violence and any other conduct that interferes with a colleagues' ability to do their job.

Along with the mistreatment of colleagues, the cases of Sexual Harassment¹ are not tolerated by the Company. The Sexual Harassment includes but not limited to:

- inappropriate gestures and/or comments regarding colleagues' appearance;
- questions/comments about colleagues' sexual life;
- other unwanted behaviour of sexual nature (touching, hugging, etc.).

To protect the Employees and prevent the event of Sexual Harassment at work Company invites the Employees who faced (experienced/witnessed) the relevant misconduct to follow the instructions described in 9. [Report Violation/Ask Question](#).

3.3. Work Environment

Company ensures for all Employees safe, healthy and comfortable environment in the office for effective and productive work.

The Company expects that Employees:

- Act and behave in a way that ensures their own safety and the safety of others. Follow and comply with all Labour Protection and Safety Instructions and other related policies/instructions.
- Do not use alcohol, narcotic and/or other addictive substances at work.
- Act responsibly in case alcohol is offered during a meal or event with the Customer and/or during a business trip. Be aware of the effects of alcohol misuse.
- Timely report any emergency situation in accordance with Emergency Response Policy.
- Follow C.T.Co Office Rules which describes the usage of office premises and facilities.

3.4. Personal Appearance

The Company expects all Employees to present themselves in a professional manner, with regard to attire, personal hygiene and appearance.

The dress-code is one component of appearance in the workplace. All Employees are recommended to follow our Dress Style Guidelines.

¹ [Refer to Terms and Abbreviations](#)

4. Conflicts of Interest

A conflict of interest arises when Employee's personal activities, interests or relationships interfere, or is about to interfere, with his/her professional duties or his/her ability to make decisions and act fairly, objectively and in the best interest of the Company. Conflicts of interest may expose Company to reputational and/or financial risks.

Dealing effectively with actual or potential conflicts of interest is a shared responsibility of the Employee (disclosure) and the Company (resolution).

Employee shall notify HR Manager and/or HR Director of any relationships or interests that could conflict or appear to conflict with Employee's work duties. All notifications are treated confidentially.

It is not possible to define all situations or relationships which may create a conflict of interest, so each situation is evaluated individually. Some specific examples and situations that may create conflicts of interest situations are set out below.

4.1. Secondary Employment Conflicts of Interest

In accordance with C.T.Co Employment Agreement the Employee may not enter into employment relationships with other companies (including the Company partners or Customers, etc.) without prior written consent from the Company.

4.2. Conflicts of Interest with 3rd Party

An Employee who has financial interest (e.g. shares, stakes, profit, etc.) and/or has relatives (for definition of relatives refer to [Civil Law](#)) or Personal Relationships² in respect to the 3rd Party, is not able to participate in any business activity with this 3rd Party, as it may affect his/her ability to make decisions objectively on behalf of the Company or may affect Company business. Such interest/relations shall be disclosed as soon as identified to the Sourcing function which is defined in C.T.Co Organizational Structure.

4.3. Conflicts of Interest with Relatives

In order to avoid conflicts of interest and any appearance of favouritism, ensure that you do not work directly with, supervise or make employment decisions regarding relatives. This includes positions or assignments within the same organizational unit and the employment of such individuals in positions that have financial or other dependencies or influence (e.g. auditing or control relationships, or supervisor/subordinate relationships).

² [Refer to Terms and Abbreviations](#)

5. Anti-Bribery and Corruption

Our Company does not tolerate any act of Bribery³ and Corruption³. Bribery and Corruption may lead to serious damages to the Company reputation and may have negative financial impact.

Employees shall never directly or indirectly give/offer/receive or promise anything of value to anyone with the intention of persuading anyone to act improperly.

Giving/receiving gifts and/or hospitality is often an important part of maintaining and developing fair business relationships. However, in certain circumstances gifts and hospitality may be treated as Bribe³.

In all cases, when gift and invitation to any event with the participation of 3rd Parties (e.g. business lunch) is given/received, the Employee shall contact Executive Management and act in accordance with his/her decision.

6. Investor Relations, Trading and Regulation

Investor Relations, Trading, and Regulation encompass the intricate network of interactions among companies, investors, and regulatory bodies within the financial landscape. This area involves managing communication with stakeholders and adhering to a framework of rules and/or regulations designed to uphold a safe and trustworthy financial environment.

6.1. Investor Relations

Company's investor relations shall be ethical, professional, transparent and investor friendly. No information shall be made available on a selective basis to a specified group of investors in manner that places them at an advantage over other group of investors.

6.2. Insider Trading

Employees are prohibited from using material information pertaining to the Company before it is made public for financial or other personal benefit or conveying this information to others.

6.3. Money Laundering Prevention

C.T.Co is committed to maintaining the highest standards of integrity and compliance with anti-money laundering and anti-terrorism laws (e.g. "[Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing](#)").

7. Mass Media

In the name of the Company, or in his/her own name as an Employee of the Company, the Employees shall not make any public notifications, publish any articles, make announcements and involve themselves in other public activities in mass media without a prior written consent from the Company.

All communication requests related to the Company and received from the mass media (television, radio, printing, Internet web-pages, etc.) shall be forwarded to HR Communications Specialist who is responsible for communication with the media.

8. Compliance with Regulations

Employees are expected to follow and comply with Legal Regulations, Company/Customers policies and instructions. Conduct that violates mentioned regulations sets the ground for a prompt disciplinary action. In addition, Employee's failure to report a known violation by someone else may result in disciplinary action for the Employees. For details refer to Staff Disciplinary Procedure. Anyone who raises a concern about a possible compliance breach in good faith will be supported by the Company, and will not be subject to retaliation.

9. Report Violation/Ask Question

An Employee may report on a violation or suspicion of a violation of Code of Conduct and/or other internal/external regulations also based on [C.T.Co Whistleblowing Rules](#), as well as ask questions or seek

³ [Refer to Terms and Abbreviations](#)

clarification about any aspect of this Code of Conduct, using one of the communication channels described below:

- **Open-Door Discussion** with Manager, HR Manager or HR Director.
- **E-mail.** Employees may raise an issue/violation via the Company e-mail at speak-up@ctco.lv.

The Company is committed to maintain the confidentiality of Employee's identity.