

APPROVED

by decision of the meeting of the Council of
Joint Stock Company Conexus Baltic Grid of
5 September 2021, minutes No. 5 (2021)

Riga, 13.09.2021

No. INA-POL-019

**The Code of Ethics
of Joint Stock Company Conexus Baltic Grid**

I. Purpose and Basic Ethical Principles

1. The purpose of the Code of Ethics (hereinafter referred to as the Code) is to create a unified set of ethical standards in Joint Stock Company Conexus Baltic Grid (hereinafter referred to as the Company) and to strengthen the Company's internal culture, business practices and reputation by establishing basic ethical principles and internal organisation measures based on the Company's core values.
2. The Code applies to the Company, as well as to every employee of the Company (hereinafter referred to as an employee) and person elected to office.
3. The Company shall observe the following basic ethical principles: honesty, fairness, openness, loyalty, responsibility, professionalism, equality, and dignity, on which the obligations set out in this Code are based.
4. The Code is not a comprehensive set of values, ethical principles, and standards of conduct. In their professional and personal actions, employees shall also adhere to generally accepted values, ethical principles, and standards of conduct.

II. Obligations of the Company

5. The operation of the Company and work in the Company is organised in such a way as to implement and promote compliance with the basic ethical principles and generally accepted standards of conduct specified in the Code.
6. The Company ensures the growth of employees and the overall development of the industry.
7. The Company acts honestly, politely, respectfully and fairly in relations with employees and partners. The Company provides true and verified information.
8. The Company provides a safe working environment for employees by promoting a responsible attitude of employees towards labour safety and health protection.
9. The Company complies with the rules of fair competition and does not create situations in which advantages are formed for certain partners.
10. The Company ensures the transparency of internal procedures and the availability of information to partners and employees, insofar as it does not contradict the Company's

information protection regulations, as well as supports the development of a customer-oriented approach in the provision of public services.

11. The Company ensures the protection of restricted information and trade secrets, which it has received from partners in the performance of its obligations.

12. The Company does not allow situations of a conflict of interest and corrupt or fraudulent activities by introducing and implementing appropriate preventive and supervisory measures in the Company. If the Company's partner does not comply with this principle, the Company may refrain from initiating cooperation or terminate the cooperation already initiated.

13. The Company does not cooperate with a partner or terminate the initiated cooperation if international or national sanctions have been applied to the partner, or if substantial sanctions affecting financial and capital market interests have been imposed on the partner by a member state of the European Union or the North Atlantic Treaty Organisation.

14. The Company explains the values and goals of the Company to the employees and promotes work in a united team in order to achieve the common goals of the Company, avoiding intrigues and formation of destructive groups as much as possible.

15. The Company ensures equal treatment of all employees regardless of the employees' age, gender, race, ethnicity, religious beliefs, sexual orientation, political beliefs, marital status or other circumstances.

16. The Company supports the development of professional skills and knowledge of employees, as well as ensures the organisation of work in a way as to make the best possible use of the intellectual and creative potential of employees and to promote it for a more efficient performance of work duties.

III. Obligations of Employees

17. An employee shall act and organise their work in such a way as to promote compliance with the basic ethical principles specified in the Code and generally accepted standards of conduct, as well as shall participate in informative events on ethical issues organised by the Company.

18. An employee shall be aware that their work, actions, and conduct affect the employee's professional growth and achievement of the Company's goals, as well as sustainable growth, corporate culture, and reputation of the Company.

19. An employee is aware of their job duties and is responsible for the quality of the work performed. As far as possible, an employee takes care of the continuous development of professional skills and knowledge, as well as of the fulfilment of tasks, shows initiative in the issues within their competence and is open to change and innovation. An employee helps new colleagues to get involved and fit in the team by sharing their professional experience and practice with them.

20. An employee acts honestly in relations with the Company, other employees and partners, does not engage in anti-competitive, corrupt or fraudulent transactions or activities, does not abuse the lack of knowledge and mistakes of others, admits and corrects their own mistakes. In relations with partners, actions of an employee shall increase the partners' confidence in the Company as a responsible, efficient and open company.

21. An employee economically and rationally uses the Company's resources (including Company's movable and immovable property, information), as well as their working time. The use of the Company's resources for needs that are not directly related to the performance of work duties but are necessary for the improvement of the Company's internal communication,

work environment, an employee's knowledge and skills, is permissible provided that the validity and potential benefits are assessed.

22. An employee takes care of the protection of the Company's information available to them. The Company's information available to an employee may be used only for the performance of direct work duties.

23. An employee is responsible for each of their actions or omissions, as a result of which the information received for the performance of work duties has been disclosed to third parties, including their family members, acquaintances, as well as other employees of the Company who do not need it for work duties. If there is any doubt as to the validity of another employee's request for information, an employee shall consult with their immediate superior.

24. An employee shall not perform any activities that may adversely affect or damage the Company, including its reputation, as well as shall treat the Company's name and logos with respect. An employee shall not use the Company's name and logos for personal needs or personal gain.

25. All information that reflects the activities of the Company, the know-how of the Company and the accumulated information and documents developed based on this information are the property of the Company.

26. An employee shall treat other employees equally and with respect, regardless of the employees' age, gender, race, ethnicity, religious beliefs, sexual orientation, political beliefs, marital status or other circumstances.

27. An employee shall maintain a collegial relationship, observing the business communication style, and shall cooperate by providing and receiving the necessary assistance in the performance of work duties, as well as shall not abuse the trust of colleagues. An employee shall inform colleagues about professionally relevant issues and share experiences that could be useful for colleagues. Humiliation of colleagues or partners, public criticism, aggression and cynical attitude towards them are not allowed.

28. An employee avoids conflicts, but, if they arise, resolves them through constructive cooperation. An employee respects everyone's right to their opinion, listens to the views of others without offending or insulting anyone personally.

29. An employee shall observe the procedure established by the Company by which the official opinion of the Company is publicly expressed and shall refrain from publicly expressing such a personal opinion that is contrary to or incompatible with the values, goals and reputation of the Company. In their public statements, an employee shall be loyal to the Company, maintaining a positive reputation of the Company.

30. Communication with the mass media and state institutions shall be performed on behalf of the Company only by the Board of the Company or persons authorised by the Board of the Company. Information for the media is provided through the division responsible for external communication. By formally expressing an opinion on behalf of the Company, an employee takes responsibility for ensuring that the information provided to third parties is correct and complies with the decisions made by the Company.

31. An employee is aware that in communication with partners the employee represents the Company and their actions and conduct create an image of the whole Company. If in communication with a partner an employee finds unethical conduct, the employee informs the immediate superior about the situation if necessary.

32. An employee is not restricted in their private activities outside working hours and workplace; however, an employee is obliged to observe the generally accepted ethical standards

and principles of conduct set forth in this Code, ensuring that private activities do not have a negative impact on the Company's reputation. An employee shall not use or wear the Company's brand attributes during private activities, as well as shall not disclose and use the Company's information that is not publicly available.

IV. Prevention of a Conflict of Interests

33. An employee shall refrain from participating in the adoption or preparation of decisions or other activities that cause or may cause a situation of conflict of interest.

34. For the purpose of this Code, a conflict of interest is a situation in which an employee, while performing their duties in the Company, has to make a decision or participate in the adoption or preparation of a decision, or to perform other activities that affect or may affect the personal or property interests of the employee, they relatives or business partners and that affect or may affect the interests of the Company.

35. For the purposes of this Code, a relative of an employee is the father, mother, child, brother, sister and spouse or a person with whom the employee actually lives together.

36. If an employee finds themselves or may find themselves in a situation of conflict of interest, they shall inform their immediate superior and terminate their participation in the adoption or preparation of a decision or refrain from performing such duties which create or may create a conflict of interest. It is the superior's responsibility to delegate the performance of a specific task to another employee who does not have a conflict of interest in performing this task.

37. An employee, while performing work duties, shall make decisions or participate in the preparation of decisions solely in the interests of the Company. An employee shall evaluate their commercial and non-commercial activities outside the Company and refrain from performing any other work that negatively affects the performance of duties in the Company or raises suspicions of possible or actual conflicts of interest.

38. An employee shall obtain the consent of the Company in order to combine their work duties in the Company with an employment or an elected position in another commercial company or provision of services to another commercial company. The consent shall be given in writing, after assessing whether, in the particular case, the combination of work duties will rise a conflict of interests, whether it will be contrary to the provisions of the Code and whether it will harm the performance of the employee's direct duties.

39. An employee shall obtain the consent of the Company before combining work duties. The consent is given or refused by the employee's immediate superior.

40. In the performance of their duties, an employee shall not accept or offer tangible or intangible benefits and other advantages (such as donations, gifts, loans, discounts) (hereinafter referred to as the gift), as well as invitations to participate in events if a potential conflict of interest is suspected and if it is suspected that the intention of the person offering the gift to the employee is to obtain an unreasonably more favourable decision or advantage (for example, to obtain the right to conclude an agreement in a procurement procedure).

41. Flowers, presentation items, books and other equivalent items, the presentation of which corresponds to the customary practice in the business environment (usually given in connection with a national or organisation's celebration or as part of working visits), as well as awards, prizes and premiums provided for in external or internal regulations of the Company shall not be considered gifts.

42. Acceptance of invitations to entertainment, culture, sports or hospitality events is allowed if it involves cooperation between the Company and the inviting organisation and

corresponds to the customary practice in the business environment, and if the hospitality offer does not imply an intention to obtain an unreasonably favourable decision or advantage from the Company or the employee in this way.

43. If there is any doubt as to the compliance of the acceptance or provision of a gift or invitation with the Code, the employee shall consult with their immediate superior.

44. The Board shall approve a list of positions that have to submit a declaration whereby the employee certifies absence of a conflict of interest (hereinafter referred to as the declaration of conflict of interest), as well as the content of the declaration of conflict of interest. The list may include heads of structural units, auditors, leading specialists, project managers, procurement specialists and other employees who participate in the adoption or preparation of decisions that significantly affect the Company's operation or who are constantly provided with restricted information or trade secrets for the performance of work duties. The list shall be updated if changes are made to the list of positions or division of work duties of employees is changed.

45. The declaration of conflict of interest shall be submitted by completing it in the Company's personnel management system. An initial declaration of conflict of interest shall be submitted at the beginning of the employment relationship, and thereafter it shall be submitted once a year for the previous calendar year until 31 January of the relevant year.

46. The purpose of the declaration of conflict of interest is to protect the legitimate interests of the Company by ensuring the prevention of risks of possible corrupt or fraudulent activities. The persons entitled to get acquainted with the information indicated in the declaration of conflict of interest are the Head of the Human Resources division, the employee of the Human Resources division appointed by the Head of the division, as well as members of the Board and the direct manager of an employee that, if needed, determine actions for preventing possible or actual conflict of interest.

47. The Council manages those situations of conflict of interest in which the members of the Council and the Board or persons related to them are involved. The Board manages situations of conflict of interest in which the Company's employees are involved and monitors the Company's transactions with former members of the Board and the Council, as well as with persons related to the members of the Council or the Board of the Company.

V. Implementation of the Code of Ethics

48. Compliance with the provisions of the Code is one of the criteria for evaluating an employee and is taken into account when assessing the performance of an employee and considering the preferences in internal personnel selection competitions and maintaining employment relationships.

49. The head of a structural unit is responsible for monitoring compliance with the Code within their subordinate structural unit.

50. Employees shall resolve topical issues regarding the observance of the ethical standards included in the Code with the immediate superior, but, if this is not possible due to objective reasons, with the responsible member of the Board. If necessary, the employee can receive consultations on the specific situation and application of the Code by sending a written question to the e-mail address: padoms@conexus.lv. Questions sent to this e-mail address are evaluated and answered by the division responsible for human resource management.

51. If non-compliance with the Code or other violation is established, employees are invited to be socially active and react by informing the immediate superior or a member of the

Board or by submitting a whistle-blower report in accordance with the internal alarm regulations.

52. The identifying information of an employee who has reported the Code violation or another violation shall not be disclosed, shall be protected as restricted access information and shall be available only to persons involved in the assessment of the Code violation or other violations. The Company shall not impose any sanctions on an employee who reports the Code violation or other violations, and no other adverse consequences shall be incurred by such person, unless knowingly providing false information.

VI. Implementation and supervision of the Code of Ethics

53. The Board of the Company is responsible for the introduction of the Code in the Company and for updating the Code at least once every five years.

54. The Council is responsible for supervision of the Code implementation.

55. The Code enters into force on the day of its signing. With the entry into force of this Code, the Code of Ethics of Joint Stock Company Conexus Baltic Grid approved by the decision of the meeting of the Council of Joint Stock Company Conexus Baltic Grid on 21 March 2019 (minutes No. 2 (2019)) shall become invalid.

Chairman of the Council

(signature*)

Ilmārs Šņucins

* This document is signed with a secure electronic signature.