

THE CODE OF ETHICS OF THE PORT OF TALLINN

Introduction

The code of ethics of the Port of Tallinn (hereinafter the code) brings together the general ethics-related principles of the Port of Tallinn group companies (hereinafter collectively Port of Tallinn), the basic values of the organization's culture and serves as a guideline for creating and maintaining relationships in the group's business activities.

The code is primarily aimed at employees of the Port of Tallinn Group (including members of management bodies), investors, customers, suppliers and other partners.

More detailed guidelines and rules for the group's employees are given in the internal regulations of the Port of Tallinn. The "Principles of ethics and expectations for partners" of the Port of Tallinn are described in the appendix of the code, to which we expect partners with whom we have a contractual relationship or with whom we cooperate to adhere.

MAIN STAKEHOLDER GROUPS OF THE PORT OF TALLINN IN 2023



No ethical guidelines are exhaustive and comprehensive, and employees may find themselves in a situation where there are no specific principles or codes of conduct. In such a situation, the employee must be guided by the values of the Port of Tallinn when interpreting and implementing the instructions and, if necessary, consult with their manager.

1 The core values of the Port of Tallinn

Our **core values** are openness, intelligence, and reliability. We are **open** to new ideas and innovations and find opportunities to implement them. We share information about our intentions and activities both internally and externally. We make sensible and **smart** decisions and do the right things at the right time and in the right way. We seek, seize, and offer creative and forward-looking solutions to improve the company's competitiveness. We are **reliable**. We keep our promises and deliver quality. We are professional, competent, and influential experts in our area, and treat ourselves as well as others with respect and consideration.

You can read more about the vision, values, and strategy [on the website](#)

2 Principles of sustainable development

The Port of Tallinn consistently contributes to business and development activities to reduce the negative impact of its activities on the environment, society, and economy. In ensuring the company's sustainable development, there is an important emphasis on environmental priorities and the pursuit of climate neutrality by 2050. We contribute to sustainable development through topics directly related to our business activities:

- Energy efficiency and sustainable consumption;
- Clean Baltic Sea and increasing circular economy;
- Clean air;
- Innovation and development based on R&D;
- Sustainable business, development, and choice of partners;
- Employer attractiveness;
- Raising awareness on CSR and sustainability;
- High-quality public space and regional development;
- Health, safety, and security.

You can learn more about our [sustainable development strategy](#) on the website and monitor the fulfillment of sustainable development goals in the corresponding [application](#).

3 Responsible and ethical behavior

We value honest business practices and expect our employees, customers, and other partners to act responsibly in their activities and adhere to ethical business practices.

Our employees behave in a law-abiding, dignified manner, and are aware that deficiencies in professional activities or unworthy and disrespectful behavior also affect the reputation and reliability of the Port of Tallinn. Employees refrain from behavior that damages the professional activities and the property and reputation of the Port of Tallinn or third parties.

3.1 Corruption prevention and conflict of interest avoidance

The Port of Tallinn follows the principle of zero tolerance towards all forms of corruption.

The Port of Tallinn implements a corruption prevention program to mitigate corruption risks in the activities of the group's companies, including:

- various risk mitigation measures integrated into the internal control system (including automatic checks, procurement procedures, collegial committees for making important decisions, etc.);
- rules of conduct in the event of a risk of a conflict of interest, in connection with receiving and giving gifts or other favors;

- declaration of the business interests of members of the supervisory boards and management boards of Port of Tallinn companies and employees involved in making decisions related to transaction partners, supervision of transactions with related parties;
- channels for reporting misconduct and the procedure for handling relevant reports;
- ensuring employees' sector-specific knowledge;
- monitoring performance measures (including through internal and external audits/controls)

Avoidance of conflict of interest

We expect our employees to fulfill their duties honestly and impartially, and to act in the interests of the Port of Tallinn:

- employees avoid situations where their personal, financial or non-financial interest may influence their activities in such a way that it may cause a conflict of interest between their personal interest and the interests of the Port of Tallinn;
- employees conduct their activities in a manner that minimizes potential conflicts of interest, including apparent ones;
- business decisions and economic transactions related to the Port of Tallinn made by employees must be carried out based on the best interests of the Port of Tallinn. Transactions are based on the fair market price and the actual cost of goods and services.

Receiving and giving gifts

Employees shall not accept a gift or a benefit wherein the acceptance of which may affect the impartial performance of their duties. An employee may not give a gift or a discount to anyone in order to obtain a (business) transaction or a (business) advantage for the Port of Tallinn, either at the expense of the Port of Tallinn or personal funds.

A gift may be given or accepted as long as the giving of the gift conforms to business practices and is clearly a common courtesy. The gift must not be interpreted as a bribe nor be in conflict with the applicable legal regulations. A gift is given or accepted without expecting anything in return (e.g., giving an unjustified commercial advantage).

Participation in events

Participation in customer events organized by partners for a maximum of one day in Estonia free of charge or on more favorable terms than usual is not considered a conflict of interest, provided that they are not aimed only at employees of the Port of Tallinn and do not contain unreasonably expensive and/or unethical/indecent gifts/benefits/favors.

The Port of Tallinn pays the employee's participation fee, transportation, and accommodation costs for participation in conferences, exhibitions, customer days, etc., which are held outside Estonia at the invitation of partners. Non-payment of the participation fee, transport and/or accommodation costs of a conference held in a foreign country is permissible on the condition that an employee of the Port of Tallinn makes a presentation at the conference.

Detailed instructions for employees and measures to avoid conflict of interest, accepting and giving gifts, and participating in events are contained [in the procedure for avoiding conflict of interest](#) of the Port of Tallinn (internal document).

Grants and sponsorships

When distributing subsidies and sponsorships, the Port of Tallinn applies the State Assets Act, based on which we only distribute subsidies for research and development activities related to our business if it contributes to the achievement of the company's operational and financial goals. You can read more about applying for and receiving grants and donations on the [website](#) of Port of Tallinn.

Protection and proper use of property

The employee must do everything in his/her power to protect the property of the Port of Tallinn (including data) and ensure its efficient use to avoid negligence and waste. Employees are not allowed to misuse, illegally use, or carry out the unauthorized use of company property. Employees must follow all internal rules and instructions related to the protection of both tangible and intangible assets, including information security requirements to protect information assets and customer-related data.

3.2 Customer relationships

The client base of Port of Tallinn consists of Estonian and international institutions and companies, several of which are listed companies. The biggest customers of the Port of Tallinn are the operators of passenger ships and cargo terminals and the Republic of Estonia through contracts for passenger ferries and the icebreaker Botnica. As end users of the services, our customers are also passengers of ferries on the Saaremaa and Hiiumaa lines, as well as passengers of international ship operators, as well as cargo carriers and -owners.

In customer relations, we follow the principles of openness and inclusion. We take customer feedback and observations into account and see the Port of Tallinn and companies operating in the port area as a single community. We have described the expectations of the Port of Tallinn for the partners to whom we provide services or cooperate, in the appendix "Ethical principles and expectations for partners" of the code. We encourage our customers and cooperation partners to use solutions that support sustainable development.

We consider honest and responsible business activities to be important, which is why we have established various internal measures to fulfill due diligence obligations in the preparation and execution of transactions (including contractual negotiations, communication with the clients, etc.) Among other things, we implement measures to identify suspicious and unusual or prohibited transactions in all areas of activity of the Port of Tallinn. More detailed measures and instructions for employees when making transactions are contained in the internal procedure for implementing due diligence measures and the procurement procedure of the Port of Tallinn.

3.3 Purchase policy

When purchasing products and services, we proceed from the following general principles:

- We assess whether the product or service is absolutely necessary for the business activities of the Port of Tallinn and contributes to the realization of the company's goals.
- We are open to cooperating with partners to develop the best modern solutions.
- We follow the principles of sustainable development established in the strategy and choose the offered solution/product/service that is most economically, socially, and environmentally favorable and supports the core values of the Port of Tallinn.
- The purchased product or service must not harm the interests of the company or its stakeholders.
- We treat all suppliers and procurement providers equally and without discrimination. We avoid conflicts of interest in the decision-making process.
- We prefer suppliers who apply the principles of sustainable development and ethical values similar to ours, including ensuring occupational safety, guaranteed wages, non-use of child labor, non-discrimination, equal treatment, and prevention of corruption.
- We expect partners to follow the principles of the "Ethical principles and expectations for partners" as an appendix to the code.

Our goal is to ensure the transparent, efficient, and economical use of the company's funds and other resources by ensuring the best possible price-quality ratio by comparing different offers. In doing so, we take into account that compliance with all rules and the fulfillment of goals would result in the

smallest possible administrative burden, time, money, and labor costs for the Port of Tallinn, as well as environmentally sustainable use of resources.

More detailed instructions and rules for procuring products and services (including sustainable procurement criteria) and general requirements for suppliers are stipulated in [the tender procedures of the Port of Tallinn](#) and, in the case of subsidiaries, in the corresponding competition procedures.

3.4 Equal treatment and fair competition

All persons (employees, customers, suppliers, and other partners, investors, and other stakeholders) are treated equally and without discrimination, and it is ensured that all restrictions and criteria set for persons are proportionate, relevant, and justified in relation to the set goal.

When recruiting, remunerating, recognizing, promoting, and other personnel-related actions, we look to the employee's knowledge, skills, potential and contribution. All employees are treated with the same respect regardless of their position. We do not discriminate anyone based on their gender, age, nationality, religion, disabilities, etc.

We condemn workplace bullying, harassment, and workplace violence. When setting general restrictions on employees (for example, in connection with a pandemic), these are primarily based on ensuring the safety of the entire workforce and customers, as well as the effective continuity of business operations.

The Port of Tallinn [follows the principles of fair competition](#), and all business transactions are conducted honestly and transparently. We do not engage in illegal market fixing or other types of market manipulation or illegal, unfair, or unethical business practices. The goal of the Port of Tallinn is to ensure equal and fair conditions for all parties with whom we cooperate. All our activities are based on the principles of honesty, trust, and openness.

The Port of Tallinn is a [responsible taxpayer](#):

- We adhere to tax laws and pay taxes by the deadlines set by legislation;
- All tax reports are submitted promptly and accurately;
- We do not conduct transactions with the aim of obtaining tax benefits and avoiding paying taxes;
- To ensure the accuracy of tax accounting, we involve industry experts and/or the Tax and Customs Board as needed in resolving taxation issues.

3.5 Confidentiality and retention of information

[A general obligation of confidentiality](#) applies to the trade secrets, business activities, financial status, business agreements and information of customers, suppliers, partners and employees of the Port of Tallinn. All information that has become known to employees of the Port of Tallinn while performing their duties is confidential and its disclosure or sharing to unrelated third parties is prohibited, except in the cases prescribed by laws and regulations or with the prior approval of the management board of the Port of Tallinn.

As a listed company, Port of Tallinn is obliged to comply with the rules of the Nasdaq OMX Tallinn Stock Exchange and the Market Abuse Regulation, which is why the company has established insider information rules (internal document) [for storing and handling inside information](#) that has a possible impact on the share price and for defining the rights and obligations of insiders. Internal training is held regularly for insider employees.

We keep [personal data confidential](#) and, when processing it, we only collect data to the extent necessary to organize the activities of the Port of Tallinn and fulfill contracts. We process personal data without the person's consent only to fulfill obligations arising from laws and contracts. We implement security measures to protect personal data from unintentional and unauthorized processing, disclosure, or destruction. Only those employees of the Port of Tallinn whose duties include personal data processing have access to personal data.

As an authorized processor, our IT services and security service provider have access to personal data. We disclose personal data only in cases specified by law or with consent. You can read more about the processing of personal data on our [website](#).

3.6 Honest and open communication

In the **marketing activities and communication** of the Port of Tallinn, direct communication with various target groups and stakeholders, as well as the image of the company, plays an important role. As a responsible company, we follow the principles of openness, honesty, balance and ethics in our marketing and communication activities and messages. Our **spokespersons** are generally members of management and key persons in specific areas.

As a listed company, when disclosing information, we primarily base disclosure on the **principle of equal treatment of investors** and the rules applicable to the storage and disclosure of inside information. All significant announcements regarding the company's economic activity, environment, management, strategy and their implementation are made public as soon as possible and first as a stock exchange announcement. Due to the Market Abuse Regulation, it is forbidden to give recommendations to third parties to make transactions with the Port of Tallinn shares. We also avoid sharing personal views regarding the company's future as a company representative without coordination with the management. A general presentation of the activities of the Port of Tallinn and talking about the company without recommending the purchase of shares is permitted and strongly encouraged.

In personal public communication, including social media, we keep in mind that we are also representatives of the company and refrain from statements that may harm the reputation of the Port of Tallinn as an employer. More detailed instructions for external communication to Port of Tallinn employees are described in the communication procedure (internal company document).

4 Reporting misconduct

The Port of Tallinn has developed **a procedure for reporting misconduct** in order to support honest and ethical business activities and to prevent, detect, and resolve cases in which someone has acted contrary to the law, general ethical business practices, or the Code of Ethics of the Port of Tallinn or internal procedures, at an early stage. The instructions for reporting cases of occupational misconduct, the process of handling reports, and the informant's protection measures are described in more detail in the procedure.

Employees, customers, and suppliers of the Port of Tallinn or cooperating third parties can report their suspicions about cases of unethical behavior through both the internal and external reporting channels of the Port of Tallinn. At the request of the person submitting the notification, their anonymity is guaranteed. All notifications received will be treated as confidential and all notifications will be analyzed. The procedure for reporting misconduct and more detailed instructions for using an external reporting channel can be found on the website of the Port of Tallinn.

5 Compliance with the code

To ensure awareness and implementation of the principles outlined in the code, the Port of Tallinn organizes regular internal training sessions. All employees are required to complete the respective training.

A violation of the code is accompanied by appropriate measures, which can be, for example, a warning or, in the worst case, termination of the employment relationship with the employee. In cases related to corruption or other illegal activities, law enforcement agencies are also notified, if necessary.

PRINCIPLES OF ETHICS AND EXPECTATIONS FOR PARTNERS

1 Introduction

- 1.1 The principles of ethics and expectations for partners of the Port of Tallinn (hereinafter **the principles of ethics**) determine the requirements that apply to all partners and third parties of Port of Tallinn Ltd and group companies (hereinafter **the Port of Tallinn**) who have a contractual relationship with the Port of Tallinn or cooperate with the Port of Tallinn (hereinafter **the partner**).
- 1.2 The Port of Tallinn has undertaken to comply with a number of international guidelines regarding human rights, labor laws, the fight against corruption, environmental responsibility, personal data processing, and imposing sanctions. We strive to follow the guidelines and principles of the International Labor Organization (ILO) core conventions, the UN Guiding Principles on Business and Human Rights (UNGP), and the international guidelines for countries of the Organization for Economic Co-operation and Development (OECD). The code of ethics of the Port of Tallinn is available on the company's website.
- 1.3 The Port of Tallinn cooperates with partners who share our ambitions and commitment to sustainability and agree to cooperate with us in a transparent manner, even if the cooperation stipulates higher standards than those required by regulatory requirements.
- 1.4 The Port of Tallinn expects its partners to accept and follow the principles of ethics in their business activities both in their organizations around the world and by applying them in their supply chains. Partners undertake to conduct their business in compliance with all relevant national and international laws on topics such as, but not limited to, human rights, environmental protection, working conditions, and anti-corruption.

2 Principles

- 2.1 **Working conditions and employee rights.** The partner must ensure high-quality working conditions for its employees and respect the applicable labor law legislation in the place where services and works are provided. In fulfilling the rights of its employees and subcontractors' employees, the partner undertakes to ensure:
 - 2.1.1 **treating employees with respect and dignity**, protecting them from any kind of abuse, harassment, violence, or workplace bullying (e.g., physical, verbal, mental, sexual), and identifying possible incidents and immediately responding to them with adequate and proper measures;
 - 2.1.2 **providing a workplace and working conditions that ensure the health and safety of employees in accordance with all relevant legislation and permits, including ensuring occupational health and safety guidance, training, and the provision of necessary work tools;**
 - 2.1.3 **the exclusion of the misuse of child labor** and compliance with the sub-requirements for the age and working conditions of the workforce stipulated in ILO conventions and

national legislation, and the work performed must not harm their safety and health, or physical, mental, moral or social development;

- 2.1.4 **exclusion of human trafficking and illegal labor.** The partner must act ethically to exclude any human rights violations;
 - 2.1.5 **excluding any discrimination by ensuring** equal opportunities and treatment for employees, regardless of their nationality, country of origin, skin color, social background, disability, sexual orientation, pregnancy or maternity, political or religious beliefs, gender, age, family or civil partnership status;
 - 2.1.6 **ensuring a fair and transparently paid and taxed salary and work volume that complies with the law,** at the same time meeting at least the established national minimum wage, trade union agreements, and industry standards. The partner undertakes not to recruit or force anyone to work against their will or in a situation where the working may be forced and exploited;
 - 2.1.7 **the right of employees to form trade unions** or similar employee representative organizations and join them (or not join) and the right to collective bargaining, and open and constructive dialogue, if necessary, with employee representatives;
 - 2.1.8 **privacy of individuals and freedom of expression.** The partner must ensure that products, services, and business processes are structured in a way that respects the privacy and freedom of expression of individuals.
- 2.2 **Sustainable development.** The Port of Tallinn prefers a partner who:
- 2.2.1 is proactive and systematic in environmental work and consistently reduces (as low as reasonably feasible) the negative impact of its activities on the environment, society, and economy (especially in relation to resource efficiency, emission reduction, and waste management) and increases the use and offer of ideas and innovative solutions that enable a positive impact;
 - 2.2.2 actively seeks opportunities to reduce its environmental footprint, values the economical use of materials and energy, and follows environmentally friendly work practices;
 - 2.2.3 contributes, if possible, to the reduction of CO₂ emissions.
- 2.3 **Corruption prevention and other requirements**
- 2.3.1 The partner uses the necessary measures to prevent corruption and economic crimes, by means of which the abuse of power for personal gain in daily business activities, the intentional distortion of order, principles, and trust, the giving or taking of bribes or accepting any other form of illegal payment are excluded.
 - 2.3.2 The partner undertakes not to participate in agreements that limit fair competition, including agreements that limit fair competition in bidding procedures, and any form of cartel agreements with competitors, such as sharing or allocating markets or customers or fixing prices.
 - 2.3.3 The partner undertakes to comply with the sanctions established by the Council of the European Union and the sanctions arising from UN Security Council resolutions or other legislation imposing obligations on Estonia or the partner's country of location/place of business, therefor must be avoided any cooperation with persons and companies subject to international sanctions (i.e., it is obliged to stop all kinds of relationships/activities with persons who knowingly or intentionally directly or indirectly participate in activities related to sanctioned persons), and handling and delivery of sanctioned goods and prevented their own intentional or unintentional participation in money laundering.

- 2.3.4 The partner undertakes to ensure compliance with the laws and directives regulating the protection, transmission, retention, and access to personal data, including in accordance with the General Data Protection Regulation (GDPR, EU 2016/679).

3 Responsibility

- 3.1 The partner is responsible for enforcing and controlling compliance with regulatory requirements and the principles of ethics in its operations.
- 3.2 The Port of Tallinn reserves the right to check compliance with the principles of ethics using a combination of internal and/or external evaluation mechanisms. The partner is obliged to cooperate and contribute to the audit.
- 3.3 Any violation of the principles set forth in the principles of ethics is considered a breach of contract by the partner.
- 3.4 In case of violation of any requirement stated in the principles of ethics, if it is possible due to the nature of the violation, the Port of Tallinn will give the partner a reasonable time to remedy the violation. If the partner is unable to remedy the violation within the set deadline or violates repeatedly, the Port of Tallinn can apply the legal remedies provided in contracts and by law.

4 Informing the Port of Tallinn about non-compliance with the principles of ethics

Partners can inform the Port of Tallinn about an existing and/or suspected violation of regulatory requirements and the principles of ethics through the corresponding notification channel. Detailed instructions for using the external notification channel are provided on the website of the Port of Tallinn.