

 LIETUVOS GELEŽINKELIAI	Business Resilience of AB “Lietuvos geležinkeliai”
Whistleblowing Policy	No. P/FN13/LTG/8 Version (01)

APPROVED by:
 the Board of AB Lietuvos Geležinkeliai
 by Decision No. SPR-VL(LTG)-34/2024
 of September 17, 2024

WHISTLEBLOWING POLICY

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1. Introduction

- 1.1. The Whistleblowing Policy (the “Policy”) sets out a unified model, principles and responsibilities for the management of whistleblowing channels within LTG Group. LTG Group shall comply with the Guidelines for Multinational Enterprises on Responsible Business Conduct adopted by the Organisation for Economic Co-operation and Development (OECD)¹.
- 1.2. The Policy is based on European Union and national legislation.
- 1.3. The implementation and application of the Policy is defined in detailed internal regulations.
- 1.4. LTG Group’s internal documents relating to the management of Whistleblowing channels shall not conflict with the provisions of the Policy and shall be updated in accordance with the Policy where necessary.
- 1.5. Employees of LTG Group shall act honestly and responsibly in the performance of their duties and tasks and shall be guided in their activities by the laws of the country in which they operate and by the provisions of the internal regulations² adopted by LTG or a company of LTG Group.
- 1.6. The Policy shall apply to all employees of LTG Group, including trainees and persons undertaking internships or providing services to LTG Group in other legal forms. LTG Group’s business partners are also encouraged to comply with the Policy.
- 1.7. In respect of a company of LTG Group acting as a public railway infrastructure manager, the provisions of this Policy shall apply and be valid to the extent that they do not conflict with the regulatory requirements of impartiality and financial transparency in the management of the public railway infrastructure manager, the allocation of public railway infrastructure capacity, and the calculation and payment of the minimum access package fee.

2. Definitions

- 2.1. The following terms and abbreviations are used in this Policy.

Term/Abbreviation	Definition/Explanation
Group of Companies of AB “Lietuvos geležinkiai” (LTG Group)	A group of companies consisting of LTG and legal entities directly and indirectly controlled by it
Responsible Entity	LTG employee(s) who manage(s) the internal whistleblowing channel(s), examine(s) the information received through the internal whistleblowing channel(s), ensure(s) the confidentiality of persons who have provided information on possible violations, except as provided by the law
Function	Top-level activities of LTG Group (core functions, corporate functions and internal audit)
LTG	AB “Lietuvos geležinkiai”
Competent Authority	The Prosecutor General’s Office of the Republic of Lithuania in accordance with the Law of the Republic of Lithuania on the Protection of Whistleblowers or any other state institution or body which is entitled to receive, examine and investigate complaints, reports, and statements regarding a possible violation of law
Competent Entity	LTG employee(s) appointed by order/decision of the Chief Executive Officer of LTG to manage the internal

¹ OECD Guidelines for Multinational Enterprises.

² Corruption Resistance Policy, Policy on the Prevention and Management of Conflicts of Interest, Employee Code of Conduct, Methodology on Gift Acceptance and Giving, Principles of Working in LTG Group, and other internal regulations.

Term/Abbreviation	Definition/Explanation
	whistleblowing channel(s), to examine the information received through the internal whistleblowing channel(s), to ensure the confidentiality of person who has provided information on possible violations, except as provided for by the law
Violation	A criminal offence, administrative offence or breach of work duties possibly committed, being committed or planned in LTG Group, in the areas of embezzlement and damage to property, fire safety, traffic safety, occupational safety, protection of employees, protection of personal data, protection of objects, civil protection, protection of the environment, as well as in the areas of mandatory norms of professional ethics, violence, harassment, violation of equal opportunities, etc., violation of any other internal regulations, attempt to conceal the above-mentioned violation or any other violation of the law which threatens or violation the public interest and which has come to the attention of the person reporting the violation by virtue of the person's service, employment or contractual relationship (consultancy, contract, subcontract, traineeship, internship, volunteering, etc.) with the institution, or in the course of recruitment or any other pre-contractual relationship
Whistleblower	The person providing information about a possible violation
Whistleblowing Channel	The functionality (platform) for submitting a whistleblowing report on LTG Group's internal and external websites
Business Partner	A natural or legal person with whom LTG Group has a contractual relationship or who otherwise cooperates with LTG Group
Business Unit	A company belonging to the group of companies of AB "Lietuvos geležinkeliai", except LTG

3. General Provisions

- 3.1. The purpose of the Policy is to establish principles within LTG Group that will enable the public and employees of LTG Group to be encouraged to report any possible wrongdoing within LTG Group in order to increase public confidence in LTG Group, raise awareness among employees, and protect LTG Group's values and resources.
- 3.2. The objective of the Policy is to develop a whistleblowing system that will help to foster a culture of integrity within the companies of LTG Group and increase public confidence in the companies of LTG Group by establishing an accessible reporting channel system, encouraging all employees and the public to report potential wrongdoing in a timely manner, while preserving the confidentiality of Whistleblowers and ensuring non-retaliation against Whistleblowers.
- 3.3. Employees of LTG Group who believe that an violation of legal requirements has occurred must inform the responsible entities or the Competent Authority, depending on the nature of the violation.

4. Operating Principles and Safeguards

- 4.1. **Operating principles:**
 - 4.1.1. The **principle of zero tolerance for retaliation** prohibits any form of retaliation against the person who has provided information on a possible violation (e.g., suspension; dismissal; denial or promotion, demotion; reassignment to an inferior position or place of employment, etc.).

- 4.1.2. The **principle of anonymity** allows anonymous reporting without providing the personal data of the person making the report (with exceptions provided for by law).
- 4.1.3. The **principle of confidentiality** ensures that the data of the person who has provided information on a possible violation is not disclosed to third parties.
- 4.1.4. The **principle of encouraging whistleblowing** is an opportunity for the public and employees to report possible misconduct as well as to uphold the values of LTG Group and to conserve resources.
- 4.1.5. The **principle of transparency** is the clearly regulated procedure for submitting and handling reports, and data on the reports received and the outcome of their handling are published on www.ltq.it.
- 4.2. **Key safeguards for the Whistleblower:**
 - 4.2.1. **A secure channel for reporting violations is ensured.** Its details are published on www.ltq.it. The right to access to the information provided shall be given only to the Competent Entities.
 - 4.2.2. **Confidentiality commitment.** The Competent Entity shall ensure the confidentiality of the person who has provided information on a possible violation, to the extent objectively possible in the light of the data provided and its relationship to the person who has provided information on the possible violation, regardless of the outcome of the examination of such information. The Competent Entity shall not disclose the data of the person who has provided information on the possible violation to third parties, except as provided for by law³.
 - 4.2.3. **Prohibition of negative influence.** The person who has provided violation information and the family members, relatives, colleagues working in LTG Group who have provided violation information shall be protected from the date of providing such information from any measures of negative influence being taken, threatened or attempted⁴.
 - 4.2.4. **The right to full, impartial information and free advice on whistleblowing procedures and remedies.** The person providing violation information shall have the right to receive information and advice in writing and/or orally on whistleblowing procedures and on the protection, encouragement and assistance to persons providing violation information, provided by the Competent Entity within its competence.
- 4.3. Reports received shall be examined in accordance with the procedures laid down in the internal regulations adopted by LTG.

5. Operating Model

- 5.1. The whistleblowing operating model in LTG Group shall include the development of culture, operating principles, governance (internal regulation) and the presentation and handling of reports by employees, business partners, and the public (see Fig. 1).

³ The requirement of confidentiality shall not apply where the person providing violation information provides information that is obviously false, or where the person so requests in writing, both at the time of providing the information and later. The data of the person who has provided violation information or of the person involved in the violation which would allow identifying them may only be communicated to the person or authority which deals with the violation information. Before providing confidential data, the Competent Entity shall notify the person who has provided information on the possible violation or the Whistleblower in writing of the provision of the data, stating the reason for the provision of confidential data.

⁴ That is, to suspend, dismiss, or deny promotion, demote or transfer to another place of employment, refuse to change a fixed-term contract to a contract of indefinite duration where the employee has a legitimate expectation of being offered a permanent job, to refuse to renew a fixed-term contract of employment or to terminate a fixed-term contract of employment prematurely, to intimidate, abuse, harass, restrict participation in, or exclude the employee from, a previously customary formal or informal activity, to discriminate against the person, to threaten reprisals, or to restrict career opportunities, to suspend training, reduce pay, unreasonably alter working hours or unreasonably assign additional tasks or delegate additional tasks to others, cast doubt on competence, negatively assess performance or give negative feedback about the employee, communicate to third parties negative information about the employee which may lead to the employee being denied a future job in the sector or industry in question, or deny the right to work on information which is a state secret or an official secret, to apply or impose any disciplinary or other sanctions (including financial sanctions), to cause damage (including damage to the person's reputation, especially on social networks), to cause financial loss (including loss of business and income), to terminate a contract for the supply of goods or services prematurely, to revoke a licence or permit, to refer the employee to psychiatrists or other medical practitioners, or to take any other measures of negative influence.

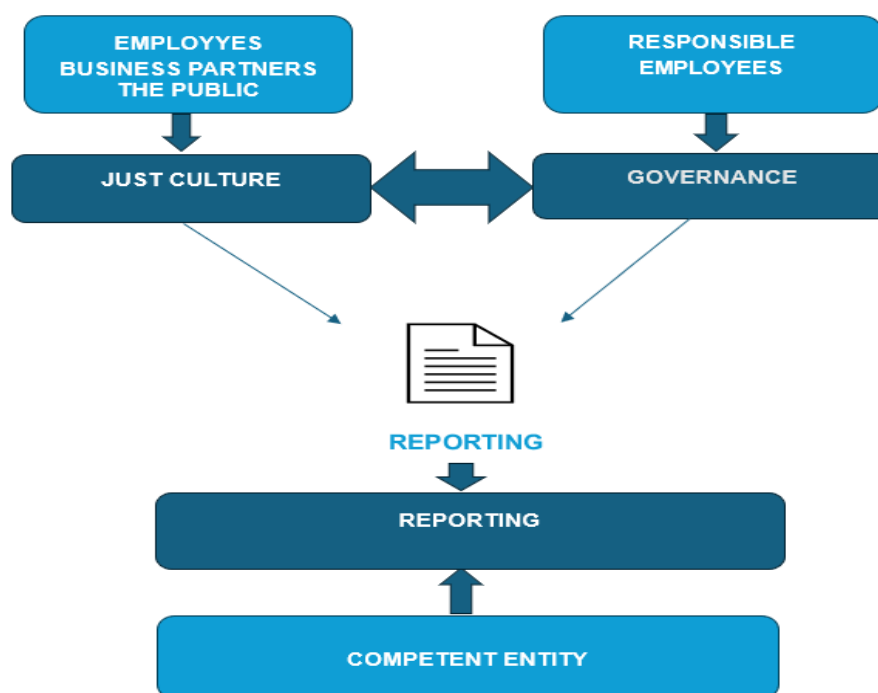


Fig. 1. The operating model for reporting violations

5.2. LTG Group deals with the following types of reports:

5.2.1. Type I reports:

- Reports of possible violations under the Law of the Republic of Lithuania on the Protection of Whistleblowers;
- Reports of corruption-related offences (bribery, fraud, embezzlement, misappropriation of assets, and other corruption-related cases);
- Reports of possible violence or harassment, including psychological and gender-based violence or harassment, acts of a discriminatory nature, or breaches of honour and dignity towards other employees or stakeholders (e.g., the general public, customers, suppliers, business partners, etc.).

5.2.2. Type II reports: reports of potential safety violations :

- Personal data protection violations;
- Employee safety violations;
- Traffic safety violations;
- Environmental violations;
- Civil protection violations;
- Fire safety violations;
- Violations of facility security;
- Embezzlement and damage to property.

5.2.3. Type III reports: other reports that involve illegal behaviour by employees.

5.3. Within LTG Group, reports may be submitted in various ways: by mail sent to Pelesos St 10, Vilnius, marked "TO THE COMPETENT ENTITY PERSONALLY"; by dedicated email indicated on the website www.ltg.lt and in My LTG, via the established whistleblowing channel; or orally to the Competent Entity.

5.4. Reports received through the whistleblowing channel shall be recorded on the external reporting platform.

5.5. The Competent Entities shall be responsible for dealing with reports in accordance with the procedures laid down by internal regulations.

5.6. The flowchart for dealing with reports is set out below (see Fig. 2).

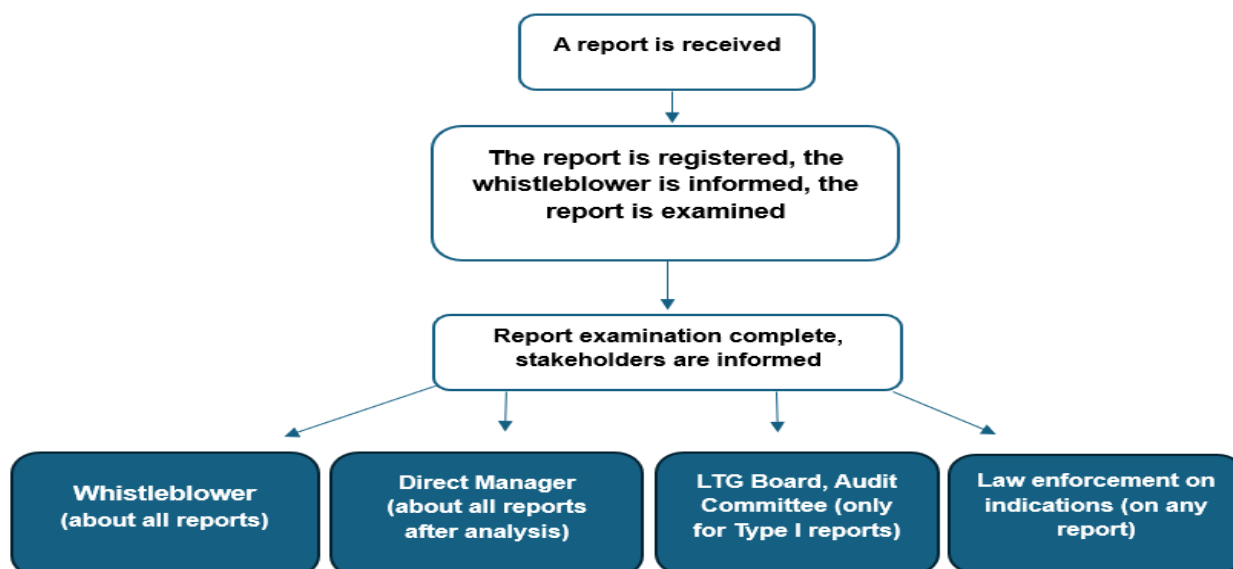


Fig. 2. Flowchart for dealing with reports

- 5.7. The results of the investigation of all types of reports shall be communicated to the Whistleblower, to the line manager and to the law enforcement authorities, in accordance with the provisions of the legislation on the protection of personal data, if possible indications of a criminal offence or an administrative offence are identified. The LTG Board and the LTG Audit Committee shall be additionally informed of the aggregated facts of Type I reports. The LTG Audit Committee shall be regularly informed of the reports received through the channel and the outcome of their examination.
- 5.8. LTG Group shall communicate periodically about the possibility to report violations. Employees of LTG Group shall be periodically informed of the reports received and of the outcome of the examination and investigation, in accordance with the principles set out in clause 4.1.
- 5.9. The Whistleblower shall have the right to report a possible violation, including anonymously (except for reports made under the Law of the Republic of Lithuania on the Protection of Whistleblowers). Anonymous reports shall be dealt with in accordance with the general procedure, with the exception of reports received in respect of violations under the Law of the Republic of Lithuania on the Protection of Whistleblowers and reports containing obviously false information.
- 5.10. The responsible employees of separate functions of the companies of LTG Group shall give feedback to the internal investigator on the implementation of the recommendations made to them.
- 5.11. If the information about a possible violation concerns a Competent Entity or its line manager or that manager's line manager, it shall be forwarded to the Chief Executive Officer of LTG or an authorised person and the investigation shall be carried out by LTG Internal Audit. If the information concerning a possible violation concerns the Chief Executive Officer, the chairperson of the board and/or the members of the board of LTG, it shall be referred to the competent authority for investigation. If the information concerning the violation concerns the Chief Executive Officer of a Business Unit of LTG, the chairman of the board of the Business Unit of LTG and/or the members of the board, it shall be forwarded to LTG Internal Audit for investigation.
- 5.12. Employees of LTG Group may report a potential Type I Violation directly to the LTG Audit Committee, which will forward the information to LTG Internal Audit. In consultation with the Audit Committee, LTG Internal Audit shall decide on the handling of the report in accordance with its competence, taking into account the nature of the report received.

6. Final Provisions

- 6.1. The Policy and amendments thereto shall be approved by the board of LTG.
 - 6.2. The LTG Director of Business Resilience shall be responsible for the implementation of the Policy.
 - 6.3. The review and updating of the Policy shall be initiated and coordinated by the LTG Business Security function.
 - 6.4. The Policy shall be reviewed at least once every two years or in the event of changes in the legislation of the European Union or the Republic of Lithuania.
 - 6.5. The Policy shall apply to the extent that it does not conflict with the laws of the Republic of Lithuania and/or other applicable legal acts.
 - 6.6. Personal data of persons involved in the investigation of the report shall be processed in accordance with the personal data protection legislation of the European Union and the Republic of Lithuania and the internal regulations of LTG.
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