

AS Tallinna Vesi  
Code of Conduct valid as of 01/01/2025



## Introduction

The Code of Conduct of the Tallinna Vesi Group (hereinafter referred to as the **Company**) formulates good practices of business conduct and -ethics for all employees of the Company and its subsidiaries. The Code of Conduct is the compass for the way the Company conducts its business and relations with its stakeholders (customers, employees, shareholders and the community). We have high expectations of ourselves, but we also expect our stakeholders and co-operation partners to act in accordance with high ethical standards and applicable laws and regulations. In addition to the good practices of business conduct this document also sets out the procedures for reporting any violation or suspected violation of the Company's Code of Conduct and any other violations of the law.

The Company's Code of Conduct is available to all interested parties on the Company's website and intranet at any time.



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## 6 CORE RULES of Tallinna Vesi's Code of Conduct

1. We always act transparently and openly.
2. We do not accept conflicts of interest.
3. We have zero tolerance for corruption, bribery and fraud<sup>1</sup>.
4. We promote activities that support sustainable development.
5. We act responsibly.
6. We respect human rights and the principle of equal treatment.

### 1. We always act transparently and openly

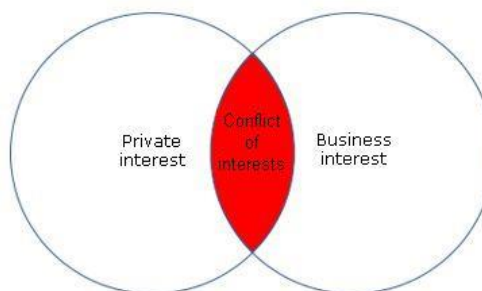
Our main business objective is to operate profitably, maintaining a high quality of service and following high ethical standards. The Company provides its stakeholders with information on its activities and financial performance in a timely, transparent and open manner.

We use the assets of the Company prudently and purposefully and strictly for business purposes only.

### 2. We do not accept conflicts of interest

We recognise that a conflict of interest is a situation that can give rise to corruption and must be avoided at all times. Business decisions must not be motivated by private interests or personal relationships. Conflicts of interest may arise from private activities within the scope of the Company's activities, personal business relationships with the Company's stakeholders or similar activities.

Conflicts of interest can also arise when close friendships or family ties are involved. Also, conflicts of interest can arise from the granting of favours that may inappropriately influence a person's decision. All persons involved in the Company's business-, including the procurement process, are required to promptly disclose any potential conflict of interest and/or declare the absence of a conflict of interest in accordance with the Company's internal rules in this regard.



The employees of the Company shall not disclose or use inside information about the Company inappropriately or for personal gain.

### 3. We have zero tolerance for corruption, bribery and fraud

We do not offer or accept benefits other than those of purely symbolic monetary value (incl. gifts, business meals and entertainment) or reasonable hospitality in the ordinary course of business.

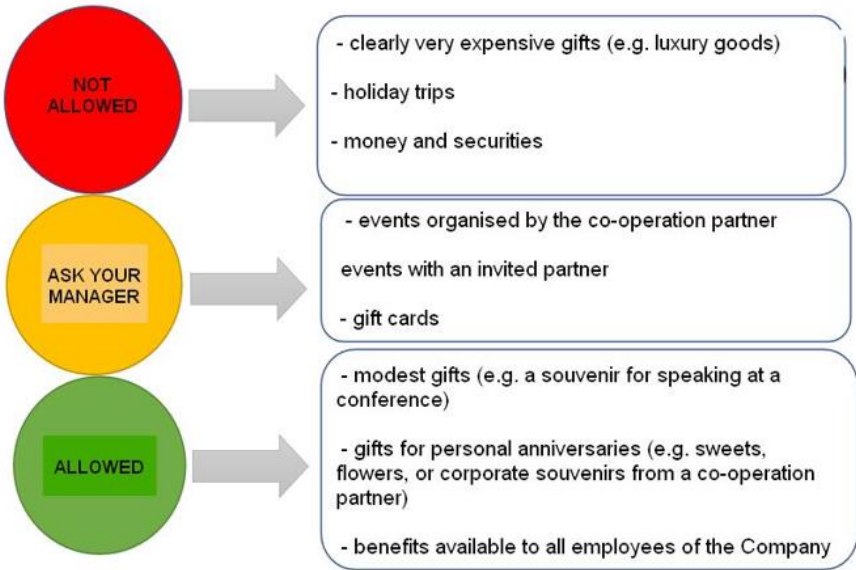
- Accepting benefits

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<sup>1</sup> 'Fraud' means knowingly misleading or deceiving someone by misrepresenting facts to them which influence them towards a transaction.

We do not accept gifts or invitations to meals or events with a value beyond common courtesy. However, employees must always be aware that even for low-value benefits, acceptance must be withheld if it involves a conflict of interest and compromises their ability to make objectively considered business decisions.

Travel organised by business partners is not permitted unless it is related to the Company's business and the Company pays the travel and attendance expenses of its employees.



➤ Offering benefits

We offer benefits and business gifts to our co-operation partners and other stakeholders only with the prior knowledge of a member of the Management Board, with the exception of gifts bearing a Company symbol (thermos flasks, sweets, etc.).

**4. We encourage activities that support sustainable development**

The Company is the largest water company in Estonia, providing services to nearly 40% of the Estonian population. The Company is focused on continuously innovating its processes and improving the quality of its services by implementing innovative solutions to ensure that water and wastewater services continue to be delivered to customers in the best possible way. Our mission is to provide consumers with a high-quality drinking water service and to treat wastewater and stormwater using environmentally friendly technologies. Our aim is to reduce the Company's carbon footprint in order to combat climate change. We care for and value the natural environment in which we operate.

We are closely tied to the suppliers of the products and services we purchase in order to provide our core services. For this reason, we strive to ensure that our activities do not have indirect negative impacts on people and the environment through our supply chains. To this end, we give preference to co-operation partners that have established and publicly disclosed policies



and objectives related to business ethics and sustainability. We do not co-operate with companies where human rights violations or corruption have been identified. In case of any such violation, co-operation will be terminated.

## **5. We act responsibly**

The Company is committed to:

- provide a safe working environment for all employees of the Company;
- ensure that the objectives of the Company are achieved;
- raise environmental awareness among its stakeholders;
- act in accordance with all applicable legislation.

## **6. We respect human rights and the principle of equal treatment**

We respect the human rights of every individual and do not discriminate on any grounds, including race, colour, religion, gender, age, social status, family background, physical or mental disability, political opinion, marital status or sexual orientation. Discrimination of any kind is unacceptable and we firmly uphold human rights in everything we do, as set out in the UN Declaration of Human Rights<sup>2</sup> and the core conventions of the International Labour Organisation<sup>3</sup>. The Company does not use forced or child labour.

We treat all our stakeholders equally and with respect. Any form of discrimination, physical or verbal abuse, offensive language, harassment or threats of any kind, whether in business or in the workplace, is unacceptable to us. Depending on the seriousness of the case, we will respond by issuing a written warning or by terminating the employment relationship.

Our aim is to create a supportive working environment where all employees feel valued and secure. All employees are aware of the main conditions of their employment and their rights. Ensuring fair wages, developing employees and engaging them in the organisation's decision-making processes is important to us.

## **Reporting and monitoring of the violations of the Code of Conduct and other violations of the law**

The Company encourages its employees to discuss issues related to the Code of Conduct with their line manager, internal auditor or the head of legal. Violations of the Code of Conduct must be terminated immediately, and the Company will also conduct an internal investigation, which in certain cases may result in the extraordinary termination of the offending employee's contract or formal proceedings.

Employees must immediately report any suspected violation of the Code of Conduct or applicable laws and regulations to their line manager or to the Company's internal auditor, or fill in an anonymous reporting form available on the [Company's website](#). Information submitted by means of a reporting form will only reach the Company's independent internal auditor, who

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<sup>2</sup> [United Nations: Universal Declaration of Human Rights](#)

<sup>3</sup> [International Labour Organization: Publications on International Labour Standards](#)

will fully protect the anonymity of the person submitting the information, analyse the information received and provide the Company with a summary of the information without reference to the source. In the case of violations involving members of the Management Board, the internal auditor will immediately inform the Company's Audit Committee.

The Company's internal auditor will notify the whistleblower of the receipt of the report within 7 calendar days following the report. If a report of a violation leads to criminal proceedings, the confidentiality of the fact of the report is guaranteed, subject to the exceptions provided for in the Code of Criminal Procedure. In this case, advice and support will be provided by the internal auditor and/or the head of legal if the employee so requests.

All reported violations and suspected violations are investigated thoroughly and treated with seriousness and discretion. The investigation is usually carried out by an internal auditor. If the reported violation involves a member of the Management Board, the investigation will be conducted by the Company's internal auditor or another person appointed by the Company's Audit Committee.

For the investigation to be as effective as possible, it is important that the information provided is accurate, such as where and when the incident occurred, a description of the incident, who was involved (names, positions), how the whistleblower found out about the incident, whether there is any evidence and/or witnesses to the incident.

The Company recognises that the decision to report a violation can be a difficult one to make. If a whistleblower has considered the information and believe that their suspicions are justified, they are acting in accordance with the values of the Company and thereby fulfilling their duty of care to the Company and its stakeholders. The Company will not tolerate any form of abuse or harassment (incl. unofficial harassment) of whistleblowers and will take steps to protect whistleblowers who have reported their concerns in good faith. However, the Company will not tolerate allegations made for trivial reasons, maliciously and/or for personal gain.

All whistleblowers, unless they have reported violations or suspected violations anonymously, will be informed by the Company's internal auditor of the results of the investigation and the follow-up action taken by the Company as soon as possible, but not later than 3 months following the receipt of the report.

All reports of suspected violations of the Code of Conduct and other violations of the law are also reviewed by the Company's Audit Committee, which also assesses the effectiveness of the current whistleblowing procedure on an annual basis and makes proposals to the Management Board for updating the procedure if necessary.

Notifications of suspected violations and related documents are retained for the period laid down by law (3 years).



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