

BUSINESS PARTNERS' CODE OF ETHICS

Exercise professional, honest, fair, legal and ethical business conduct and good governance practices

GOALS

<p>1.</p> <p>Reinforce and promote the application of corporate values at work</p>	<p>2.</p> <p>Develop an understanding of employees' duties and personal responsibilities and of ethical standards of conduct</p>	<p>3.</p> <p>Establish communication principles with its clients, business partners and employees</p>
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Ensure high ethical standards

Companies with strong ethical cultures have lower rates of observed misconduct and report their observation at a rate 1.5x higher than those in companies with weak cultures (93% compared to 63% (LRN, 2024)



Conduct activities in compliance with regulations and ethical standards

Companies with strong ethical cultures outperform, by an average of 50% more than companies with weak ethical cultures, on a variety of traditional business metrics including customer satisfaction, employee loyalty, competitiveness, innovation, and adaptability (LRN, 2024)



Do not support measures aimed at restricting competition and respect the principles of fair competition

Competitive and fair markets bring consumers higher quality goods and services, lower prices and innovative products while supporting economic growth and innovation (OECD, n.d)



Do not tolerate corruption

Whistleblowing, or a "speak-up" culture, is a powerful tool that empowers individuals to speak up against misconduct and unethical behavior, and serves as a crucial safeguard against corruption, fraud and other forms of wrongdoing (EY, 2024)



Avoid conflict of interest situations

Ignoring conflicts of interest can lead to legal penalties, damage to the organisation's reputation and cause a loss of trust among stakeholders (ComplyLog, 2024)



Ensure fair and lawful processing and storage of the personal data

Applying strong data protection measures and safeguards not only protects individuals' or customers' personal data, but also your organisation's data. It allows avoiding considerable problems, which may damage your reputation or your organisations' confidential information (EDPB, n.d)



Protect the privacy of individuals and the security of confidential information

94% of companies said their customers would not buy from them if their data was not properly protected (Cisco, 2023)



Do not support tax evasion

Support for working for businesses that pay their fair share of taxes reached 72% in 2023 (Pawlak, 2023)



Oppose ML/FTP and comply with sanctions if binding

Adherence to sanctions is not merely a legal obligation but also a vital aspect of maintaining the integrity and transparency of their operations (PWC, 2024)



Supply quality and safe products and services

Quality assurance is important for more than consumer safety. Creating a trusted, safe consumer experience is the foundation for both reputation management and brand loyalty (Wasko, 2021)

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SOCIAL

**Respect and promote human rights through
responsible and fair employment relations**

**Failure to comply with these principles may result in
the Bank denying or terminating cooperation**



Promote an inclusive and accessible working environment

Teams with inclusive leaders are 17% more likely to report that they are high performing (Bourke, Espedido, 2019)



Provide opportunities for employees to express their views and concerns,

Open communication can fuel innovation and strengthen relationships in a company (Robinson, 2024)



Respect opportunities for employees' informal association

Informal meetings promote collaborative discussion and creativity by providing a forum where people feel more comfortable sharing thoughts and ideas (Smartcomm, 2023)



Pay a fair salary to employees

82% of employees consider fair pay a critical factor in their job satisfaction and decision to stay with their current employer (Bajada, 2024)



Employees are provided with appropriate working hours, remuneration, and social benefits

Prolonged work and excessive working hours may have a serious adverse effect on employees' health (Fairbank, 2024)



Respect the principle of gender neutrality, as well as the principle of fairness

Pay transparency and achieving equal pay makes for a more contented and productive workplace (Woodhead, n.d)



Zero tolerance to the use of controversial weapons

Considering harm to people and the environment, reputational damage, and legal penalties, organizations must have mechanisms to identify risks with controversial weapons (MOODY'S, 2025)



Mitigate, avoid or compensate adverse effects on employees

Where adverse effects on employees are identified, apply avoidance or mitigation and compensatory measures

Where to report ethical violations in the activities of the Bank or its partners?

The Bank's whistleblowing channels: [here](#)

The Bank's website's Suggestions and Complaints section: [here](#)

Suggestions and Complaints email: complaint@rietumu.lv

Ombudsman of the Latvian FNA: ombuds@financelatvia.eu



Who provides support in implementing the principles of ethics?

Assistance to business partners is provided by the Sustainability Director of Rietumu Banka: info@rietumu.lv



How does the Bank evaluate the information it receives?

In accordance with the Whistleblowing Procedure and the Complaints and Suggestions Management Procedure

**In situations not covered by the Code of Ethics, the Bank encourages to act in
accordance with general standards of professional ethics, conduct and morality**

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ENVIRONMENT

**Care for the environment by promoting
responsible environmental behaviour**



**Reduce GHG emissions.
Commit to climate change
mitigation targets**



**Introduce sustainable
resource consumption and the
circular economy principle**



**Implement climate adaptation
measures**



**Promote environmental
awareness and habits that
reduce environmental impact**



**Procurement takes into
account principles aimed at
ensuring the availability of
environmentally friendly
alternatives**



**Apply impact mitigation
measures as set out in the
“polluter pays” principle**

WHY IS IT IMPORTANT FOR BUSINESSES TO CARE ABOUT THE ENVIRONMENT?



**Commitment to sustainability
enhances brand reputation
(Townley, 2023)**



**85% of investors considered
ESG factors in their
investments in 2020
(WEF, 2022)**



**51% of students would take
lower pay if the company is
environmentally responsible
(WEF, 2022)**



**A strong ESG proposition helps
companies tap into new
markets (Henisz et al., 2019)**



**If the government trusts a
company, it is more likely to
grant it opportunities for
growth (Henisz et al., 2019)**