

APPROVED at  
the meeting of the Supervisory Board of the LLC "Rīgas ūdens"

on 24.02.2026  
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***/Logo: RĪGAS ŪDENS/***

## **CONFLICT OF INTEREST, CORRUPTION RISK PREVENTION AND WHISTLEBLOWING POLICY**

**Riga 2026**

**Version 1.0**

# CONFLICT OF INTEREST, CORRUPTION RISK PREVENTION AND WHISTLEBLOWING POLICY

## POLICY OBJECTIVE



To establish a common approach to conflict of interest prevention, ensuring an effective system of internal control to mitigate corruption risks and safe whistleblowing, protecting the whistleblower.

## POLICY SCOPE



Preventing conflict of interest



Preventing corruption risks



The whistleblowing environment and whistleblower protection

## OUR COMMITMENT



The principles of conflict of interest prevention and corruption risk mitigation are applied at all levels of the Company's structure, strengthening ethical and responsible behaviour.



An effective internal control system enables timely identification and prevention of conflicts of interest, mitigation of corruption risks and ensuring compliance with the requirements of laws and best practice.



The Company's culture of trust and transparency promotes integrity by preventing wrongdoing. At the same time, it provides a safe way to report illegal activities, ensuring that whistleblowers are protected against adverse consequences.

### Internal reporting channels



- report (in free form or using the form available on the website) can be posted in the reporting mailbox provided on the Company's premises.
- by e-mail: [trauksme@rigasudens.lv](mailto:trauksme@rigasudens.lv) (scanned or photographed copy of the application, submitting the original copy afterwards or signing with secure electronic signature);
- orally to the Company's employee responsible for the whistleblowing, who puts it in writing in the presence of the whistleblower and provides a copy.



### External reporting channels

- at the Riga State City Municipality Central Administration Human Resources Department: e-mail [CA.crp@riga.lv](mailto:CA.crp@riga.lv), phone +371 67026223 or in person or by post to 1 Rātslaukums, Rīga, LV-1050)
- Corruption Prevention and Combating Bureau: <https://www.knab.gov.lv/lv/ka-zinot-knab>

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## OUR COMMITMENT

We promote a culture of transparency and trust and expect all the Company's employees to act with integrity and in a professional manner and to comply with this Policy and the Code of Ethics.

We ensure that all levels of the Company's governance adhere to the principles of avoiding conflicts of interest and mitigating corruption risks, strengthening ethical and responsible behaviour in the Company's operations.

We maintain an effective system of internal control within the Company to identify and prevent conflicts of interest and corruption risks in a timely manner and to ensure compliance with legal requirements and best practices.

We have established an internal whistleblowing system within the Company to ensure that employees, business partners and other persons have the opportunity to report illegal activities if they observe any potential misconduct in their daily work that may be detrimental to the interests of the Company.

In order for the Company to ensure efficient and reliable whistleblowing and ethics management system conforming to international best practice, based on the OECD Corporate Governance and Integrity Guidelines, as well as Nasdaq Corporate Governance and Compliance Recommendations, we implement and maintain the following principles:

**Zero tolerance:** The Company has a zero-tolerance approach to corruption, conflicts of interest, breaches of laws and regulations and any reprisals against whistleblowers. The Company's Supervisory Board and senior management set a clear standard of ethics, integrity and compliance and monitor the effectiveness of the whistleblowing system.

**Proportionality:** All reports are assessed in a fair, objective and proportionate manner, ensuring that the assessment process, the decisions and measures taken are appropriate to the nature, gravity and actual circumstances of the breach.

**Responsibility:** The Company ensures clear distribution of responsibility for receipt, registration, examination of reports and decision-making, as well as ensures appropriate monitoring, documentation and accountability for actions taken.

**Confidentiality:** The Company ensures confidentiality of the whistleblowers, the persons involved and the information contained in the report, in compliance with the requirements of the applicable laws and regulations and ensuring adequate protection of personal data and information.

**Independence:** Examination of reports is carried out independently, impartially and without conflict of interest, ensuring that decisions are taken by competent persons who are not directly or indirectly involved in the matter in question.

**Protection:** The Company protects individuals who report a suspected violation and does not tolerate any form of reprisal, discrimination or other adverse consequences against them by ensuring a fair and safe reporting environment.

## I. PURPOSE AND SCOPE

1. The Conflict of Interest, Prevention of Corruption and Whistleblowing Policy aims to:
  - 1.1. establish common guidelines to prevent conflict of interest;
  - 1.2. setting internal control requirements to prevent and mitigate corruption risk;
  - 1.3. establish procedures for the involvement of employees, business partners and others in whistleblowing about misconduct or illegal activities in the working environment, ensuring that the whistleblower is adequately protected.
2. The Policy has been prepared in accordance with the Law on Prevention of Conflict of Interest in Activities of Public Officials, the Whistleblowing Law, the guidelines of the Corruption Prevention and Combating Bureau (KNAB) and Riga City Council Internal Regulation No.4 of 21.08.2020 "Procedures for the Governance of Capital Shares and Management of Capital Companies Owned by the Riga City Municipality".

## II. TERMS USED

**Conflict of interest** - a situation in which an employee of the Company, in the performance of his or her duties, is required to make a decision or participate in a decision-making, or take other action related to the employee's position that may affect the personal or pecuniary interests of the employee, his or her affiliates or business partners.

**Corruption risk** - the likelihood that an employee of the Company will, intentionally or unintentionally, act for his or her own or another person's pecuniary interests, obtaining for himself or herself or securing for others an improper advantage and causing damage or loss to the Company.

**Policy** - this Conflict of Interest, Corruption Risk Prevention and Whistleblowing Policy.

**Whistleblower** - a natural person who provides information about an alleged violation that may harm the interests of the society or the Company, provided that the person believes the information to be true and it has been obtained within the framework of professional duties or related legal relationship (including in practice), and who may suffer adverse consequences as a result of providing the information.

**Company, We** - LLC "Rīgas ūdens".

**Public official** - an employee who meets the characteristics set out in the Law On Prevention of Conflict of Interest in Activities of Public Officials.

**Report** - Whistleblower report.

### III. INTERNAL CONTROL SYSTEM

3. In order to mitigate and prevent conflict of interest and risks of corruption, risks are monitored within the framework of the internal control system and control measures are applied.
4. The system covers risk management, control and governance measures at all organisational levels of the Company to:
  - 4.1. ensure a control environment that prevents breaches of laws and regulations, ethical misconduct and corrupt practices;
  - 4.2. identify potential risks of corruption and their impact on the achievement of the Company's objectives;
  - 4.3. introduce appropriate measures for risk mitigation and prevention;
  - 4.4. review the effectiveness of risk mitigation measures at least twice a year;
5. In order to promote lawful and honest conduct by employees in the interests of the Company and a common understanding of the fundamental principles of professional ethics, the Company has adopted a Code of Ethics.
6. The Company organises training for employees on preventing conflict of interest and corruption risks and whistleblowing.
7. Every employee is obliged to report, in accordance with the Company's internal regulatory enactments, any incident that may pose a risk of violation of this Policy or laws and regulations in the area of conflict of interest or corruption.
8. [The Company's Supervisory Board is ultimately responsible for the implementation and monitoring of the effectiveness of the Policy.](#)

### IV. PREVENTION OF CONFLICTS OF INTERESTS

9. We have conflict of interest management procedures in place to identify and prevent the situations, where private interests, financial gain or personal relationships may influence the objectivity of decision-making at an early stage.
10. Employee refuses to accept any benefits which may influence the performance of their duties or affect their impartiality or neutrality. If in doubt, the Employee consults their line manager or the Ethics Commission.
11. Employees, members of the Supervisory Board, the Audit Committee and the Management Board do not hold dual positions prohibited by laws and regulations and refrain from holding dual positions that may give rise to the appearance of potential, perceived or actual conflict of interest.
12. Employees, members of the Supervisory Board, Audit Committee and the Management Board make decisions solely in the interests of the Company in accordance with external and internal regulatory enactments and within the scope of their competence.
13. The Company does not deal with its own officials (other than transactions arising from employment or authorisation agreements).
14. The Company's related party transactions are disclosed in the financial statements.
15. Employees do not use the Company's resources for private or political interests, personal gain or the benefit of others.

### V. PREVENTING CORRUPTION RISKS

16. Preventing corruption risks is based on regular identification, assessment and implementation of preventive measures to reduce the likelihood of misconduct and reputational risks.
17. To manage corruption risks, we regularly plan actions to mitigate or eliminate risks, review planned actions and evaluate their results.
18. To this end, the Company's functions, activities and processes are assessed and a list of positions exposed to corruption risk is approved. Based on the assessment, we develop an Anti-Corruption Action Plan and ensure its implementation.

## VI. BASIC PRINCIPLES OF WHISTLEBLOWING

19. We support whistleblowing in good faith. A whistleblower provides information that he or she believes to be true, acting in good faith and responsibly. We do not tolerate negative treatment of the whistleblower.
20. Information on whistleblowing is easily available in the Company. Each whistleblower is informed of the receipt and handling of the report.
21. Whistleblowing can be implemented via an internal or external whistleblowing channel. We encourage employees to use internal whistleblowing channels as a first step if they become aware of possible illegal activity.
22. The Company's internal whistleblowing procedures also apply to external whistleblowers - business partners, suppliers and other persons who, in the course of their professional or commercial activities, become aware of possible irregularities in the Company's operation.
23. The whistleblower's personal data, the report, the documents accompanying it and communications, as well as the related decisions and orders, are restricted information.

## VII. WHISTLEBLOWING CHANNELS

24. Whistleblowing can be implemented for any misconduct prejudicial to the interests of the Company, in particular for omission, negligence, abuse of official position, corruption, waste of funds or property, threat to occupational safety or public order.
25. The Company's internal reporting channels:
  - 25.1. report in free form or using the form available on the Company's website can be placed in the report mailbox provided on the Company's premises (1 Zigfrīda Annas Meierovica Blvd).
  - 25.2. send to the e-mail: [trauksme@rigasudens.lv](mailto:trauksme@rigasudens.lv)
  - 25.3. orally to the Company's employee responsible for the whistleblowing, who puts it in writing in the presence of the whistleblower and provides a copy.
26. For whistleblowing regarding the Company's Management Board, Audit Committee and Supervisory Board, as well as for any other type of whistleblowing, reports may be filed with the competent state authority (<http://trauksmescelejs.lv/kur-celt-trauksmi;>) or to the Riga State City Municipality ([riga.lv/trauksmes-celšana](http://riga.lv/trauksmes-celšana)).

## VIII. FINAL ISSUES

27. We develop procedures and internal regulatory enactments that detail the principles set out in the Policy, ensuring that they are consistently followed and effectively applied in all areas of the Company's activities.
28. All the employees of the Company are acquainted with the Policy. The Policy is available on the Company's website.
29. Management of the Company shall review the Policy on annual basis and make necessary changes to ensure effective application of the Policy and internal regulatory enactments.

## REGISTER OF AMENDMENTS

Version	Date	Author	Modified sections	Summary of changes	Approved by
Conflict of Interest and Corruption Risk Prevention Policy					
2.1	18.06.2024	KPD			Supervisory Board 18.06.2024
Whistleblowing policy					
4.0.	18.06.2024	KPD			Supervisory Board 18.06.2024
Conflict of interest, corruption risk prevention and whistleblowing policy					
1.0	24.02.2026	KPD	new version	Original document.	Supervisory Board, Minutes No. 2.4.5/2026/03