

# Code of Conduct



Note: In order to improve the reading flow, gender-neutral wordings are used in the present Code of Conduct. However, it is expressly addressed in equal measure to male and female employees, members of the board, managers and executive officers of Rail Cargo Group. Rail Cargo Group acknowledges and supports the comprehensive equality of the sexes.

## Field of Application

The present Code of Conduct, available on [www.railcargo.com/compliance](http://www.railcargo.com/compliance), is **applicable to all employees of foreign Rail Cargo Group<sup>1</sup> companies**. To employees of all Rail Cargo Group companies based in Austria as well as Austrian citizens, the Code of Conduct released on [http://konzern.oebb.at/en/OeBB\\_Group/Compliance/index.jsp](http://konzern.oebb.at/en/OeBB_Group/Compliance/index.jsp) applies.

The Code of Conduct on hand describes the ethical and general principles to which Rail Cargo Group aligns its financial and business dealings, and represents an essential element of Rail Cargo Group's corporate culture. The Code of Conduct is based on the one of ÖBB Group and is a mandatory guideline for the behaviour of all members of the board, managers, executive officers and employees of foreign Rail Cargo Group companies.

The Code of Conduct lays down minimum standards which you must not fall short of under any circumstances – irrespective of national rules and regulations. If local rules and regulations apply higher standards, these have to be applied. In case of local adaptations being necessary, these have to be reconciled early and in advance with the Compliance Office.

Please note that it is not the aim of the present Code of Conduct to capture every possible situation you may face in a conclusive way. Rather, the goal is to give you guidelines to which you have to align your day-to-day dealings on your own authority. In doing so, you contribute at your best to the day-to-day realization of these guidelines, and thus make your own significant contribution to achieving Rail Cargo Group's primary objectives: customer satisfaction, profitability and being an attractive employer.

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<sup>1</sup> Rail Cargo Group comprises Rail Cargo Austria AG and those companies in which Rail Cargo Austria AG holds at least fifty per cent of the equity held stationary in the sole ownership of ÖBB Group companies, or more than fifty percent of the share rights in all other companies directly or indirectly.

## 1. LAW AND REGULATION-COMPLIANT CONDUCT

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In all areas of company dealings Rail Cargo Group is subject to rules and regulations. These include laws both on a national and European level, as well as internal Group rules (e.g. group guidelines or internal policies) and regulations based on voluntary self-commitment (e.g. the Corporate Governance Code).

The integrity of all dealings is an essential prerequisite for operating a business successfully and sustainably. In other words: Acting with integrity in business is not only important for yourself to be on the safe side. Rather, your business behaviour has a tangible impact on our company's success. This is because your business behaviour particularly reflects the character and culture of our company – to clients, business partners and the public at large – and thus creates the necessary confidence in Rail Cargo Group as a government related-company as well as in its capacities. For this reason, Rail Cargo Group and you have to always stay within the limits of a certain set of rules and framework.

Against this background, the Code of Conduct defines the rules with respect to the following key topics:

- Corruption and Bribery
- Conflicts of Interest
- Secondary Jobs and Shares in Companies
- Handling of Company Assets
- Data Privacy and Data Security
- Lobbying
- Competition
- Partnership with Suppliers
- Environmental Protection
- Political Activities

Rail Cargo Group itself will do all that is necessary in order to inform you on these rules, and will support you in complying with them. In fulfilment of this responsibility, a compliance organisation has been established within Rail Cargo Group that works toward compliance with all internal and external sets of rules (except of operational and technical rules). Please direct any questions on the Code of Conduct and compliance topics in general to the Rail Cargo Group Compliance Office: [www.railcargo.com/compliance](http://www.railcargo.com/compliance).

## 2. Corruption and Bribery

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Rail Cargo Group complies fully and uncompromisingly with all relevant national anticorruption provisions as well as with international guidelines or recommendations (e.g. UN Convention against corruption, OECD guiding principles for multinational companies). As a consequence, Rail Cargo Group does not accept any forms of unlawful business behaviour, dealings or actions. Yet, please note that not everything that is barely legal is also morally impeccable and will be tolerated. Against this background you below find Rail Cargo Group's expectations towards you regarding bestowed benefits, corruption and bribery.

## **Permitted Framework for granting and accepting Benefits**

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Benefits according to the Code of Conduct are tangible and non-tangible “valuables” of any kind to which you have no legal claim. This includes not only monetary and physical gifts of any kind, but everything that could be of benefit to you or make you better off, including also your social standing. Benefits also comprise invitations of any kind (e.g. to restaurants and to events), the granting of discounts, credit notes, donations, but also for instance a quicker and preferential treatment in certain matters (e.g. official applications).

Benefits may be offered, promised or given (granted, bestowed) to you in a multitude of constellations, or you may yourself solicit or accept such benefits, or have the third party promise (grant / bestow) you benefits. For example, meetings or representations are often connected with extending or accepting an invitation, for example to lunch or dinner. Such and similar business practices are possible, but are subject to certain restrictions which you have to know and apply consistently.

Put in front: Benefits granted to you or accepted by you on the basis of ties of friendship, and which are solely attributable to your private sphere, are not subject to the Code of Conduct. However, this also means that business matters must never be discussed in the course of e.g. invitations to private events or meals. If the separation between personal and business sphere is unclear or ambiguous, you should consult the Compliance Office before granting or accepting such invitations. The basic rule is: Ties of friendship must not be misused as a justification for the acceptance and the granting of benefits which are in reality based on business relationships, with the purpose of circumventing the provisions of this Code of Conduct.

### **What do I have to bear in mind when dealing with benefits in business?**

- The value of a benefit is irrelevant to the fact of it being permissible or not.
- Also, the legal form of the benefit is irrelevant. Even payments that are exchanged e.g. under the term “donations” or “sponsoring”, or as a return service for services not actually rendered (sham services), are “granted / bestowed benefits” as defined by the present Code of Conduct. (Note: The decision with regard to donations and sponsoring is solely a matter for senior management of Rail Cargo Group or ÖBB Group, or for ÖBB employees who have been expressly entrusted with such matters.)
- It is furthermore irrelevant whether a benefit is directly of advantage to yourself, or to persons related to you, or as the case may be, to associations or third parties otherwise attributable to you. The principles of the Code of Conduct must be borne in mind both when benefits are granted to a Rail Cargo Group employee or a business partner directly, as well as when benefits are granted to their “relatives” (persons, associations, etc., persons close to you or them, or third parties attributable to you or them).
- Ensure that there is the greatest possible transparency: In case of doubt, consult with your superior before you offer anyone a benefit within the context of your work on behalf of the Rail Cargo Group, or accept a benefit. Please be advised to record,
  - which benefits you grant to others as well as
  - the benefits you are granted by others.

**Note:** Save these records.

- If you have doubts as to whether you may grant or accept a benefit, discuss the matter

with your superior and expressly indicate your concerns to him or her. Your superior must obtain the necessary information and then reach a decision with you. The decision has to be documented and kept on file.

- If you have even the slightest doubt as to the admissibility or appropriateness of a benefit, then you should reject it. This applies even if your manager has no concerns. For your behavior you are ultimately responsible.

**Under which preconditions may I accept, as an employee of Rail Cargo Group, benefits?**

- You must not in any case solicit / demand benefits.
- You must only accept benefits or accept promises thereof if the benefits fall within a socially customary, appropriate scope.
- For benefits other than invitations, the following applies: You must not accept undue benefits. It can be assumed that a benefit is not undue if
  - it involves day-to-day courtesy of minor value not being a monetary payment and
  - on this occasion it merely involves a generally normal expression of general appreciation and politeness and
  - when looked at critically and objectively, there is no possibility of the impression arising that the person granting the benefit expects a certain behaviour or even a quid pro quo from you in return and
  - you do not receive benefits on a regular basis, at short intervals, from the person granting the benefit.

**Tip:** The following question offers you some help and guidance pertaining to the reasonableness of the value of the benefit: Would any other person receive this benefit as a “promotional gift”, even if the person giving the benefit / gift had no interest in making the recipient of the benefit feel favourably-disposed towards him or her? If the self-critical answer to this question is “no”, then you have to decline the benefit.

- Customary courtesy gifts that are exclusively presented to Rail Cargo Group companies and whose non-acceptance would contradict the standards of hospitality and business courtesy may be accepted. However, by company management / board members only.
- In general, you may not accept any cash benefits for yourself or other persons. The awarding of gratuities to a broader group of employees is permissible with reasonable, small scale limits, and if they are not paid regularly and at frequent intervals (e.g. coffee cash box).
- You may accept invitations to business lunches, corporate events (Christmas parties, lectures, etc.) or other events extended by a business partner if they are held in a socially customary, appropriate context and the participation represents an objectively justified interest. The frequency of invitations and your position at Rail Cargo Group especially have to be considered when assessing the appropriateness and socially customary nature of such an event. An objectively justified interest exists if the participation is based on the tasks and functions of the company. This includes, for example, representational obligations. The acceptance of invitations for related third parties (spouse, significant other, etc.) must be aligned in advance with the Compliance Office without exception.

- You may, as a matter of principle, claim company discounts which are part of a company-wide discount programme and which are also granted to all other employees of Rail Cargo Group in this form.
- If you have the impression that a third party, by granting benefits to you, seeks to gain influence on you, please contact the Compliance Office as soon as possible.

**Attention:** The rules set out here apply not only to dealings with those outside of Rail Cargo Group, but also to inter-group business partners. Example: Benefit granted by an employee of Rail Cargo Austria AG to an employee of Rail Cargo Hungaria Kft.

### **Which benefits granted to me as a Rail Cargo Group employee do I have to decline in any case?**

- Benefits exceeding the threshold of a customary, low-value courtesy. Or benefits that could otherwise look unreasonable or inappropriate.
- Benefits which, when looked at critically and objectively, could raise the suspicion that the one granting the benefit wants to act you in a certain way as a result.
- Benefits which are granted to you because “something could be needed from you in the future”.
- Benefits from persons who have already granted benefits to you in the past at regular, short intervals – even if these may have been customary, low-value courtesies.

### **In which cases may I grant, as an employee of Rail Cargo Group, benefits to others?**

- You must not bestow any solicited benefits.
- You may only offer, promise or grant benefits within socially customary and appropriate limits.
- For benefits other than invitations, the following applies: you must never offer, promise or grant persons undue benefits. It can be assumed that a benefit is not undue when all of the following conditions are met and if you can answer all of the following questions with "yes":
  - The benefit is a customary courtesy of low value.
  - The benefit is not a monetary payment, irrespective of the amount.
  - You grant the benefit not because of others' levies, but out of politeness and not because it has been demanded (even if only subliminally) of you from the person taking the benefit, or because you wish to achieve a specific form of behaviour as a result.
  - When looked at critically and objectively, you do not try to gain influence on the other person.
  - You do not grant benefits to that person regularly at short intervals, even in case of customary, low-value courtesies.

**Attention:** If you cannot without any doubt answer “yes to all of points listed above, you are not allowed to grant the benefit.

- Customary presents to business partners that meet the standards of hospitality and courtesy (e.g. in the course of an invitation to a corporate anniversary celebration) may only be awarded by company management / board members.
- You may extend invitations to business lunches, corporate events (Christmas parties, lectures, etc.) or other events if they are held in a socially customary, appropriate context and there is an objectively justified interest in the invitation. The frequency of invitations as well as the position of the business partner should be considered when assessing the appropriateness and socially customary nature of a particular event. An objectively justified interest exists if the interest of extending the invitation is based on the basic tasks of the company (corporate purposes). Invitations of third parties related to a business partner (spouse, significant other, etc.) have to be reconciled in advance with the Compliance Office without exception.
- Granting usual corporate discounts is permissible. If in doubt, such discounts have to be reconciled in advance with the Compliance Office.

**Attention:** The rules set out here apply not only to dealings with those outside of the Group, but also to inter-group business partners. Example: Benefit granted by an employee of Rail Cargo Austria AG to an employee of Rail Cargo Hungaria Kft.

### 3. Conflicts of Interest

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A conflict of interest within the context of your work for Rail Cargo Group exists when there is a risk of your personal / private interests conflicting with or jeopardizing the interests of Rail Cargo Group or ÖBB Group. You are obliged to recognise any conflict of interests or situations involving a conflict of interest for yourself and to actively prevent and counter these. The higher your function, the more critical are the standards of judgement that you must apply. Obviously, conflicts of interest can never be completely prevented from arising, and are not always in your sphere of influence. However, you will be blamed for a conflict of interests especially when inducing it with your eyes open or if you do not reveal it in a timely fashion. You must therefore ensure that there is the greatest possible transparency. This means: As soon as it comes to your knowledge that a conflict of interest could arise, you are obliged to inform your superior immediately and verifiably. The latter must decide what further steps to take, which might be to assign specific tasks to another employee.

### 4. Secondary Jobs and Shares in Companies

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Secondary jobs are activities exercised on a self-employed or employed basis for gain outside of your official work for Rail Cargo Group. It makes no difference whether such activities are permanent or simply exercised on a case-by-case basis.

A job that is secondary to your work for Rail Cargo Group should be the exception and, under no circumstances, the rule. A secondary job may only be performed if it does not prevent the fulfilment of your official duties, or does not threaten other vital interests of the company (please see also "Conflict of Interest").

Every gainful secondary job must be reported to your superior in writing. A secondary job is gainful, if it is aimed at achieving considerable earnings.

Also taking on functions on bodies within companies and other (quasi-) legal persons (such as managerial, board or supervisory board mandates) requires to be reported beforehand in writing to your superior, even if these are to be exercised unpaid.

Your superior can prohibit a secondary job being taken up or the taking on of functions on bodies in individual cases.

The exercise of secondary jobs and the taking on of functions on bodies are not permitted under any circumstances, if

- you end up in a conflict of interest as a result, or if business interests of Rail Cargo Group or ÖBB Group could otherwise be harmed (e.g. carrying out work for competing firms),
- they take place at your place of work or during your working hours, or even if they take place outwith your working hours, but your performance is impaired such that the work that you put in for Rail Cargo Group is negatively affected as a result,
- the secondary job is carried out using Rail Cargo Group / ÖBB Group materials and equipment, or
- in any case if the fulfilment of your professional duties for Rail Cargo Group is impaired due to the secondary job.

If the above reasons making secondary jobs improper become compelling after you have taken on your secondary job or a function on a body, you are obliged to report this to your superior immediately. The latter decides on how to proceed and is also entitled to prohibit you from further exercising your secondary job or function on a body.

Please note that the exercising of a secondary job that is not permissible may constitute a breach of official duties and may for you result in industrial-law consequences and compensation obligations towards Rail Cargo Group.

In principle, leisure activities that are not for gain – such as exercising sports, or (honorary) commitment in associations – are not subject to these restrictions. However, please pay attention not to land yourself in conflicts of interest as a result of such activities, or to damage the reputation of Rail Cargo Group or ÖBB Group.

In addition, you have to inform your superior immediately in writing of the acquisition of shares in companies. The acquisition of shares in companies is not permitted in case of the company being a competitor of Rail Cargo Group or ÖBB Group, or if they could otherwise cause a conflict of interest.

The acquisition of shares merely representing an investment, that do not go beyond a negligible free float, do not open up the possibility for you of exerting any decisive influence on the company in question and are not likely to constitute a conflict of interest, is exempted from the duty to report.

## **5. Handling of Company Assets**

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As an employee of Rail cargo Group, you are obliged to handle its property according to the pertinent rules, with due care, and you have to ensure its efficient use. Moreover, you are obliged to protect the property of Rail Cargo Group – or ÖBB Group in general – against loss, damage, misuse, theft, embezzlement or destruction. Every situation and every incident that could lead loss, damage etc. has to be reported immediately to your superior.

Materials and equipment belonging to Rail Cargo Group (e.g. computers, telephone equipment, copiers, office supplies, company cars, company mobile telephones) have to be



used in accordance with Group rules and/or agreements reached between you and Rail Cargo Group or ÖBB Group in writing.

## **6. Data Privacy and Data Security**

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A data protection organisation of its own was set up comprising the entire ÖBB Group – and therefore also Rail Cargo Group – based on the Group data protection guideline. The data protection organisation is operationally responsible for all data protection matters.

As a Rail Cargo Group employee, you have to use personal data responsibly. There must be a legitimate, compelling business purpose for any use or sharing of personal data. Various laws and our client's agreements determine how we have to use and share data when we are delivering our services, and you have to in any case abide by these requirements.

## **7. Lobbying**

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Lobbying aims to employ suitable persons in order to legally influence the decision-making processes in legislation and implementation in terms of specific interests of individuals. A lobbying activity consists of informing, arguing and promoting the contract position, but not to entice or threaten an office holder to make a specific decision. Transparent and professional lobbying therefore supports well-informed decisions by supplying expertise to the decision-makers.

Rail Cargo Group and other ÖBB Group companies use corporate lobbyists for the best possible positioning of their interests. Rail Cargo Group lobbyists have to abide by the "Lobbying Code of Conduct" available on [http://konzern.oebb.at/en/OeBB\\_Group/Code\\_of\\_Conduct/index.jsp](http://konzern.oebb.at/en/OeBB_Group/Code_of_Conduct/index.jsp).

## **8. Competition**

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Rail Cargo Group fully acknowledges and supports the principles of fair competition and business conduct. Dishonest business practices such as making statements or comments damaging someone's reputation, corporate espionage or illegal agreements with other competitors are not permitted and rejected by Rail Cargo Group.

In particular, you have to unconditionally abide by the rules and restrictions resulting from antitrust-law provisions. The prohibition of anti-competitive coordination of behaviour is comprehensive, and involves all forms of conscious coordination aiming to achieve or actually causing the risks associated with competition to be substituted by "practical cooperation". This entails, for example, written as well as oral agreements and so-called "gentlemen agreements", e.g. price fixing or agreements on market sharing in respect of a customer. Caution should also be exercised when exchanging sensitive information with / between competitors. Such sensitive information includes e.g. information on prices, rebates, service conditions, profit margins, sales practices and the like.

Inform yourself fully and in time of the legal framework conditions that you must observe within your field of business / work.

## **9. Partnership with Suppliers**

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Rail Cargo Group expects its business partners – including suppliers, clients and partners – to observe the principles of ethical and sustainable business. Hence, Rail Cargo Group strictly rejects cooperation with companies that breach existing laws or that do not feel committed to

the business principles outlined in this Code of Conduct.

If you deal with the conclusion of contracts or you work on them e.g. as an employee in sales or purchasing, please take this aim into account. If you become aware that a partner violates existing laws or otherwise infringes on the principles of ethical business practices, or if you become aware of increased risks of such a violation, report it immediately to your supervisor and reconcile your actions with the legal department and the Compliance Office.

In Addition: Rail Cargo Group regards its suppliers not merely as isolated business partners, but strives for a fair and trusting partnership with them, in which services, opportunities and risks are in a balanced relationship.

## **10. Environmental Protection**

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ÖBB Group – and therefore also Rail Cargo Group – regards itself as the largest provider of environmentally friendly mobility.

Rail Cargo Group is aware of its function as a role model and its responsibility within society as a whole, and feels committed to the principles of sustainable and resource-saving business. Measures to improve the protection of the environment in daily working life are a great source of concern to Rail Cargo Group. Therefore, you, as a Rail Cargo Group employee, are asked to make your own contribution towards protecting the environment and sustainable business.

## **11. Political Activities**

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The carrying out of party-political work in premises and using resources belonging to Rail Cargo Group or ÖBB Group, or in the name of Rail Cargo Group or ÖBB Group, is prohibited. The necessary exchanges with official representatives of states and communities, and those persons authorised to do so on the part of Rail Cargo Group or ÖBB Group, are not affected by this.

## **12. Your Responsibilities and Consequences of Violations**

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Rail Cargo Group expects you to at all times act with integrity and comply with all applicable laws and the present Code of Conduct. All employees are encouraged to signal a clear “No” to unfair practices, hereby actively supporting the objectives of Rail Cargo Group and promoting its reputation. This not only includes being a role model through your own actions, but also to react appropriately to others’ potentially questionable practices.

Against this background, it is your responsibility also to raise concerns when you experience or witness unlawful, fraudulent or unethical conduct. In such cases, contact the Compliance Office. When reporting an ethical concern your cooperation may be necessary so that Rail Cargo Group can adequately address your matter. Please be ensured that Rail Cargo Group – as well as ÖBB Group as a whole – will not tolerate any form of sanctions against an employee reporting a concern in good faith.

Breaches of the Code of Conduct may constitute a breach of official duties and might result in legal, financial and reputational risks for ÖBB Group, Rail Cargo Group and for its employees. For this reason, breaches are not tolerated and are suitably sanctioned within the framework of legal options.

Breaches may also have criminal as well as industrial-law and civil-law consequences for you.

In addition to a fine or a custodial sentence imposed by the criminal court, Rail Cargo Group could also, in any case, take disciplinary and service-law measures. This can – depending on the seriousness of the breach of official duties – involve a lecture, warning, reprimand or imposition of disciplinary punishments (fines and even dismissal). In addition, both your employer and third parties could make civil-law claims for compensation against you.

**Thus:** Trust requires responsible and ethically correct action on the part of each individual employee. Keep in mind at all times that you are responsible for your own actions. If in a certain situation you come to the conclusion that a particular form of behaviour is not prohibited by the Code of Conduct, but is nevertheless inappropriate, improper or otherwise ethically questionable, act according to the best of your knowledge and beliefs and the stricter criteria resulting from this. Bear in mind that the (financial) gain that you may achieve through unlawful, fraudulent or corrupt behaviour is, in most cases, only short-lived and bears no relation to the permanent loss of trust in your daily dealings with others as well as all its consequences for you in person and your family.

**Furthermore:** Should you have allowed yourself to be tempted to behave in an inappropriate way, attempts to cover up your misdemeanours are not recommended in any case. On the one hand, doing so can substantially increase any damage already caused. On the other hand, in certain cases it is, simply put, possible that law enforcement authorities refrain from criminal prosecution based on cooperation – as part of the so-called "Leniency Policy".

Possible consequences in most cases turn out to be less severe if you disclose your misdemeanours of your own rather than your behaviour being revealed by chance or by a third party.

**Management Responsibility:** Rail Cargo Group's board members, directors and executive officers (senior management) have to fulfil their function as role models and bear a special responsibility for imparting, exemplifying and enforcing the present guidelines. The Code of Conduct has to be attached to every new employee's service contract and must be acknowledged by means of a signature. In the case of existing employment contracts, the Code of Conduct has to be demonstrably brought to the attention by a superior to his or her employees.

## **13. Contact and further Information**

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Please find contact details and further useful information on [www.railcargo.com/compliance](http://www.railcargo.com/compliance).