



APPROVED
 by the decision of the Board of "Lietuvos energija",
 UAB of 29 April 2019
 (minutes of the meeting No PR_2019-20)

ANTI-CORRUPTION POLICY OF LIETUVOS ENERGIJA GROUP

Objectives	To define the general provisions and principles of the Anti-Corruption Policy of Lietuvos Energija Group, and the main guidelines for their implementation.
Scope	Lietuvos Energija Group

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1. Terms and abbreviations used in the Anti-Corruption Policy

The terms and / or abbreviations used in this Anti-Corruption Policy have the following meanings:

Anti-Corruption Policy	This Anti-Corruption Policy of Lietuvos Energija Group.
Anti-Corruption management system	The Company has implemented an Anti-Corruption Management System, the requirements of which are fully implemented in the Company, while other Enterprises are subject to these requirements to the extent that is established in the legal acts that regulate the individual processes of the ACMS and in individual Company's instructions to the enterprises.
ACMS	Anti-Corruption Management System
Company	"Lietuvos energija", UAB, legal entity's code 301844044, office address Žvejų str. 14, LT-09310 Vilnius, Republic of Lithuania.
Group	"Lietuvos energija", UAB, and the legal entities directly or indirectly managed by it.
Enterprise	Legal entity belonging to the Group.
Employees	The persons who work in the Group enterprises under employment or other contracts, the members of the Companies' governance and supervisory bodies.
Gift	A gift is understood in the Group as any item/thing, service or other benefit provided free of charge (such as things, money, drinks, tickets, services, travel, etc.). The employees can only accept symbolic, representative gifts or such that are usual in the practice of fair business, or gifts under the international protocol, traditions that are

	usually related to the position held by the person who works in the Group (such as promotional items, calendars, representative souvenirs, small accessories) with the value not exceeding 30 euros.
Conflict of interest	Conflict of interest are considered to be the situations in which an employee, in the performance of his/her duties or in the execution of an assignment, must make a decision or to participate in the decision making, or execute an order, all of which are also related with his/her private interests.
Corruption	Abuse of powers for own benefit or for the benefit of others, thus undermining the interests of the state or individual natural persons or legal entities.
Bribery	A promise expressed by an employee himself/herself or through an intermediary or agreement to accept an illicit or unjustified remuneration (tangible or intangible, having or not economic value on the market), i.e. bribe for the desired act, as well as a requirement or provocation to give a bribe and bribe acceptance.
Unethical behavior	Behavior that is contrary to the provisions of the Code of Conduct of Lietuvos Energija Group.
Nepotism	Guardianship and protection of own family members, relatives and other close persons (including cohabiting partners, partners) by exercising the position held, own name and power.
Illicit gifts	Any gifts or services provided, offered or received in order to avoid bias or to gain any advantage, that can be treated as going beyond normal commercial practice, and which are suggestive of an assumption that this is meant to gain favour or special treatment in any area related to the Group's activities, as well as gifts of any form to Lithuanian or foreign officers (civil servants), auditors, municipal employees, etc.
Subornation	An offer or promise expressed by any person himself/herself or through an intermediary or agreement to give an illicit or unjustified remuneration (tangible or intangible, having or not economic value on the market), or giving such remuneration to an employee or third party.
Trust Line	Description of channels for receiving reports of irregularities.
Abuse	The use of own official status, of the rights, position or powers granted by the laws and other legal acts, Staff Regulations or other internal legal acts of the Group's companies (act or omission) contrary to the interests of the position and of the Group, of the Company or other companies, their performance principles, essence and content, also breach of the limits of delegation granted.
Private interest	Property or non-pecuniary interest of the employee or persons associated with him or her, which may affect the employee's decisions in the performance of his or her duties.
Trading in influence	Unlawful acts in the exercise of own duties, powers or any other likely influence in order to influence the institution, organization, civil servant, etc. in order they would act or not act either lawfully or unlawfully in the exercise of their powers.
Standard	LST ISO 37001:2017 "Anti-Corruption Management Systems. Requirements and guidelines for use".
Interested parties	Various natural persons or legal entities and groups of such persons/entities, or institutions which are or may be affected by the activities of the Group (e.g. shareholders, suppliers of goods, service providers or recipients, etc.).

Related persons	Close persons and other persons related to the Employee through friendliness, business or civil relations, membership or position in the enterprises belonging to the Group, in establishments, organisations, funds, or associations, who may be subject to a conflict of interest.
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1.1. Other terms used in the Anti-Corruption Policy shall be understood as defined in the Standard, in the Law of the Republic of Lithuania on Corruption Prevention and other laws.

2. General provisions

2.1. The Anti-Corruption Policy is the Group's document of corruption prevention, by which the Enterprises undertake in their activities:

2.1.1. not to tolerate unethical behaviour, unlawful gifts, nepotism, conflict of interest, bribery, subornation, trading in influence, abuse and other corrupt criminal acts, and less dangerous forms of corruption;

2.1.2. to refrain from any form of influence, whether direct or indirect, to politicians or political parties, and not to fund or otherwise support foundations or organisations established by politicians or political parties, their representatives or their candidates, election campaigns, politicians (or their associates), be it in Lithuania or another country;

2.1.3. to comply with the requirements of the international legal acts in the field of corruption prevention, also of such the acts of the Republic of Lithuania and of other states in which the Enterprises operate, as well as with the requirements of the Anti-Corruption Management System that is introduced in the Company.

2.2. The Anti-Corruption Policy defines the general corruption prevention principles applied in the Group, the objectives and tasks of the Anti-Corruption Policy, main entities in the formation and implementation of the Anti-Corruption Policy, and consequences of non-compliance with the requirements of the Anti-Corruption Policy. The Anti-Corruption Policy applies to all employees. The Company's and the Company's business partners as well as other interested parties are encouraged to follow the provisions of this Anti-Corruption Policy.

2.3. The Anti-Corruption Policy has been prepared in accordance with the Standard, the Articles of Association of the Company and other legal acts regulating the Company's activities.

3. Principles applied

3.1. In forming and implementing the Anti-Corruption Policy and the Anti-Corruption Management System in the Enterprises, the Group follows the following principles:

3.1.1. **Lawfulness.** The measures of the implemented Anti-Corruption Management System cannot be contrary to the applicable international legal acts, the legal acts of the Republic of Lithuania and of other states in which the Enterprises operate that regulate anti-corruption activities.

3.1.2. **Zero tolerance for corruption.** The Group does not tolerate any forms of corruption irrespective of the form or degree of their occurrence. Any employee who has committed a corrupt act, regardless of his/her current position, functions or merits to the Group, shall be held liable in the manner prescribed by law.

3.1.3. **Personal example shown by the leaders.** Personal example shown by the leaders is a major factor in the formation of culture of corruption intolerance in the Group, and a guarantee for the implementation of efficient Anti-Corruption Management System.

3.1.4. **Work ethics.** The Group strives for the trust of its business partners, customers, employees, as well as for good reputation, and therefore does not tolerate any actions and forms of corruption stipulated in the Anti-Corruption Policy that may adversely affect or damage the reputation of the Group or of the Enterprise.

3.1.5. **Employee involvement.** The employees are constantly informed about the Anti-Corruption Policy implemented by the Group and are involved in the implementation of means of anti-corruption control.

3.1.6. **Adequacy of means of anti-corruption control to the risk of corruption.** Means of anti-corruption control to reduce the risks of corruption are designed and implemented taking into account the level of corruption risks identified.

3.1.7. **Effectiveness of implementation of anti-corruption controls.** Priority is given in the Group to such means of anti-corruption control, the implementation of which is not complicated, the impact is likely to bring significant benefits and their implementation will not become a burden for the Group or the Company.

3.1.8. **Continuous control, monitoring and improvement.** In order to continuously improve the Anti-Corruption Management System, the Group performs on a regular basis control of means of anti-corruption that are being implemented and evaluates the effectiveness of the Anti-Corruption Policy.

4. Aim and objectives of the Anti-Corruption Policy

4.1. The Anti-Corruption Policy is aimed at ensuring that the Group's performance and behaviour comply with the highest standards of reliability, integrity, transparency and business ethics acceptable to the society. The Group's anti-corruption policy and the Anti-Corruption Management System implemented in the Company are aimed at creating conditions for timely identification of corruption risks occurring in operational processes and, after evaluating them, to select proportionate and effective means of control that allow reducing the risk of corruption identified and unacceptable to the Company.

4.2. The main objectives of the Anti-Corruption Policy implemented by the Group are as follows:

4.2.1. to reduce the risk of corruption in the Group's activities and to be able to manage it;

4.2.2. to ensure proper and timely implementation of anti-corruption measures set out by the laws and other legal acts;

4.2.3. to set requirements for employee behaviour in the field of corruption prevention and to make these requirements become recognized and voluntary implemented norms of works ethics not only for the employees but also for the Group's business partners and other interested parties.

5. Entities of the implementation of the Anti-Corruption Policy and their functions

5.1. The Anti-Corruption Policy in the group is formed and implemented in the Company by introducing the Anti-Corruption Management System that functions in all areas of the Company's activities, including internal administration and the centralized and functional activities implemented at the Group level.

5.2. The main entities of formation and implementation of the Anti-Corruption Management System in the Company are the Board of the Company, the Director General of the Company, the Executor of the Corruption Compliance Function, the heads of other functions and areas. The employees of the Company and heads of the structural units of the Company are appointed to take responsibility for the execution of individual anti-corruption compliance functions. The Director General of the Company may use additional human resources to implement the Anti-Corruption Management System.

5.3. Powers and responsibilities of the Board of the Company in developing and implementing the Anti-Corruption Management System:

5.3.1. approves the Anti-Corruption Policy of the Group;

5.3.2. ensure that the Company's strategy and the Anti-Corruption Policy of the Group are consistent between each other;

5.3.3. having received under the procedure established information about the content and functioning of the Company's Anti-Corruption Management System, conducts an evaluation analysis of such information;

5.3.4. monitors that adequate and appropriate resources needed to enable the Company's Anti-Corruption Management System to deliver results effectively are assigned and allocated;

5.3.5. carries out the supervision of the implementation of the Company's Anti-Corruption Management System and its effectiveness.

5.4. The Director General of the Company is responsible for the implementation of the Anti-Corruption Management System in the Company and its compliance with the Standard, and ensures that sufficient resources are allocated and that the functions are properly distributed for the efficient and effective implementation of the ACMS. The functions of the Director General of the Company

in the implementation of the ACMS are detailed in the Company's Anti-Corruption Policy Implementation Guidelines.

- 5.5. The Director General of the Company appoints a performer of anti-corruption compliance function, whose main task is to oversee the development and implementation of the Company's Anti-Corruption Management System. In fulfilling this task, he/she has the right, if necessary, to approach directly the Board of the Company and to the Director General. The powers of a performer of anti-corruption compliance function are detailed in the Company's Anti-Corruption Policy Implementation Guidelines and in other internal documents of the Company and other Companies that regulate the processes of the ACMS.
- 5.6. If necessary, the Director General of the Company may appoint employees responsible for the execution of individual anti-corruption compliance functions, by setting specific tasks and functions for them. These employees coordinate their activities in the area of implementation of the Anti-Corruption Policy and Anti-Corruption Management System with a performer of anti-corruption compliance function.
- 5.7. The Group's manager of each level must ensure that the requirements of the Anti-Corruption Policy and of the Anti-Corruption Management System are applied, and that these requirements are met in their unit or within the scope of their functions.
- 5.8. All employees are personally responsible for understanding, execution and application of the Anti-Corruption Policy and the Anti-Corruption Management System requirements that are related to their responsibilities in the Enterprise and the Group.

6. Declaration of private interests

- 6.1 The purpose of the declaration of private interests is to ensure that there is no conflict between the private interests of the Enterprise and that of the Employee.
- 6.2. To ensure the supremacy of the Enterprise's interests, the employee undertakes:
 - 6.2.1. act impartially, fairly and properly in performing own duties;
 - 6.2.2. to cease from acting in making decisions that may lead to a conflict of interest and immediately report (in writing, by e-mail) about a conflict of interest and about such cessation to own immediate manager and the employee of prevention functional area;
 - 6.2.3. not to use the job position for personal benefit;
 - 6.2.4. in making decisions, to act solely in the interests of the Enterprise, only to make decisions that are objectively justified, impartial and best suited to the needs of the Enterprise.
 - 6.2.5. The employee must immediately notify the immediate manager of the accepted proposal / agreement to move to another job if such proposals / agreements will cause a conflict of interest for the Employee.
- 6.3. All employees of the Group of Companies must declare their private interests.
 - 6.3.1. The Enterprises may provide for exceptions to the requirement for the completion of private interest declarations for certain positions of employees in their internal legal acts. However, such exceptions may not apply to:
 - 6.3.1.1. the leaders at all levels of management and/or to persons who substitute them;
 - 6.3.1.2. to the employees who participate in any stage of public procurement procedures;
 - 6.3.1.3. to the employees who are listed on the list of persons entitled to obtain insider information of the Company / Enterprise.

7. Reports on violations of the Anti-Corruption Policy

- 7.1. The employees of the Group are encouraged to report any noticed or suspected violations of the provisions of the Anti-Corruption Policy and of the Anti-Corruption Management System documents, possible cases of corruption, violations of combining public and private interests to the Company's management, a performer of anti-corruption compliance function or using the Trust line by calling +370 640 88889, or by e-mail pasitikejimolinija@le.lt.
- 7.2. The Group also encourages its business partners and other interested parties to report any violations or suspected violations of the provisions of the Anti-Corruption Policy by calling the Trust Line by the contacts listed on the Company's website.

- 7.3. The Group undertakes to protect the confidentiality of rapporteurs, and to take all possible measures to ensure that a person who reported a reasonably suspected violation of the Group's Anti-Corruption Policy, cases of corruption, violations of combining public and private interests does not suffer from the negative consequences of his/her report. Provisions for the protection of rapporteurs are also valid in cases where the information provided by a person does not prove to be valid.
- 7.4. The reports received, depending on their content, are examined and replies to the persons who have reported of any violation are prepared in accordance with the legal acts of the Republic of Lithuania and the internal legal acts of the Company, and cannot be handed over for examination to the unit or employee if the applicant expressed concern about their actions. In case there are elements of a criminal offense or other violations of legal acts, the Company shall notify the competent law enforcement or other authorities.
- 7.5. Cases of violation of the Anti-Corruption Policy shall be publicized by means of internal communication insofar as this is not contrary to the legal acts that regulate the protection of personal data.

8. Liability

- 8.1. Violation of the provisions of the Anti-Corruption Policy may be considered a gross violation of work duties and may be subject to liability under the legal acts of the Republic of Lithuania.
- 8.2. In cases where violation of the Anti-Corruption Policy has elements of a criminal offense, the competent authorities shall be notified thereof and such acts may be subject to statutory liability.

9. Final provisions

- 9.1. All existing and newly recruited employees of the Group must make themselves acquainted with the Anti-Corruption Policy and fulfil its requirements.
 - 9.2. Persons representing the interests of the Group or of the Enterprise, or acting on behalf of the Group, the Company or the Enterprise, although they are not the employees of the Group, must also be made familiar with the Anti-Corruption Policy and undertake to comply with its provisions.
 - 9.3. Information on the implemented Anti-Corruption Policy and the Anti-Corruption Management System is provided in the Social Responsibility Report of the Company and the Group. The Social Responsibility Report can be audited by an independent audit company.
 - 9.4. The Anti-Corruption Policy is made publicly available. The Board of the Company approves the Anti-Corruption Policy and its amendments.
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