

APPROVED BY:
AB Lietuvos Geležinkeliai
CEO
____ of _____ 20
Order No. _____

CODE OF EMPLOYEE ETHICS OF AB LIETUVOS GELEŽINKELIAI GROUP

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1. Introduction

1.1. The Code of Employee Ethics of the AB Lietuvos Geležinkeliai Group of Companies (hereinafter - the Code of Ethics) establishes the main principles of employee conduct, in accordance with which the LG Group seeks to ensure fairness, transparency and credibility. The Code of Ethics promotes a culture of trust-based behaviour, transparent and open relationships that advocate against conflicts of public and private interests, giving and accepting inappropriate gifts, other ethically questionable situations.

1.2. The Code of Ethics derives from the strategies of LG and the Business Units, the values of the LG Group and complements the policies and other documents of the LG Group. The LG Group expects employees to adhere to ethical conduct at work in the performance of their duties. Outside the working hours employees should avoid situations in which their unethical conduct would be attributable to the LG Group and could damage its reputation.

1.3. The Code of Ethics applies to LG Group employees and members of collegial governing bodies, trainees or interns.

1.4. Employees should adhere to the principles of the Code of Ethics when communicating with each other, as well as with customers, contractors, partners, employees of state and municipal institutions, organizations, the media, etc.

2. Definitions

2.1. The definitions used in this Code of Ethics shall mean:

Definition	Description
Employee	A natural person who has undertaken to perform a job function under an employment contract concluded with an employer A person who has an employment contract concluded with one of the companies within LG Group
Gift	A material (cash, checks, coupons, etc.) or other personal gain (hospitality, services, a promise, privileges, discounts, consumable gifts, etc.) to which the employee has no private right and which gives him/her a better material or non-material status. This includes gain received by third parties, such as relatives, acquaintances, etc.
EU	The European Union
Conflict of interests	A situation where an employee of the Group company, when discharging his/her official duties is obliged to make a decision or participate in decision-making or carry out the assignment relating to his/her private interests.
Corruption	All criminal offences of a corrupt nature as defined in the applicable legal acts of the Republic of Lithuania (e.g. bribery, subornation, trading in influence, blackmail or other acts committed with a view of seeking personal gain or gain for other persons).
RoL	The Republic of Lithuania
AB Lietuvos Geležinkeliai Group of Companies (LG Group of Companies)	A group of companies consisting of LG and legal entities under direct or indirect control of LG.
Business Unit	A company held by AB Lietuvos Geležinkeliai Group of Companies
LG	AB Lietuvos Geležinkeliai

2.2. Other terms used in this Code of Ethics shall be understood as defined in the Law on the Special Investigation Service RoL, the Law on Prevention of Corruption RoL, the Labor Code RoL, the Law on Coordination of Public and Private Interests RoL.

3. General principles of employee ethics

3.1. The LG Group adheres to the following principles of ethics:

3.1.1. Leadership:

LG Group executives have a responsibility to create a corruption-resistant environment through their responsible conduct and day-to-day operations, based in particular on the LG Group's best interests and respect for employees, partners and others, and to promote principles of ethics in order to ensure transparency and credibility of operations across all companies within the LG Group.

LG Group executives respect the fundamental rights of their employees, treat them fairly and respectfully, provide emotional support, do not tolerate psychological violence, bullying, create a positive atmosphere in the team, an environment based on employee loyalty to the LG Group, promote the best use and development of employee skills, and they also provide equal opportunities for all employees in the professional field.

3.1.2. Legality:

In the performance of their duties, the employees of the LG Group of Companies observe the principle of the rule of law and other legal acts, act within the limits of the authorized powers and do not exceed them, are familiar with the internal legal acts regulating their functions and / or duties.

Employees of the LG Group of Companies act in accordance with the values of the LG Group of Companies, as well as the public standards of conduct, in situations not covered by this Code of Ethics and other internal legislation.

LG Group employees do not tolerate illegal actions of colleagues and other persons, do not follow illegal instructions and report them on the LG Group's Hotline.

3.1.3. Fairness and transparency:

In LG Group decisions are taken impartially, prudently and objectively, employees do not abuse the rights conferred on them.

LG Group employees are loyal to the LG Group. The decision-making is based on the creating maximum value for LG Group. Employee decisions are not motivated by personal relationships and interests. Employees do not use their position or authority to seek material or other personal gain and / or privileges for themselves and their close associates.

Employees of the LG Group of Companies are personally responsible for the negative consequences of their performance and non-achievement of short-term and long-term functional goals.

Employees of the LG Group of Companies use working time, means, financial and material resources only for the performance of direct duties, unless other use is regulated by internal documents.

3.1.4. Respecting the individual:

LG Group employees respect people, their rights and freedoms, and avoid any form of discrimination (racial, national, gender, age, physical disability, political opinion, philosophical worldview, or religious beliefs).

Employees of the LG Group communicate politely, regardless of personal characteristics, property or social background, and judge colleagues by their performance. In this way the employees can contribute creating a friendly working environment where the individual is respected and equal opportunities are guaranteed.

Employees of the LG Group respect the privacy, beliefs, psychological security and physical integrity of others.

Employees of the LG Group take into account expectations of their customers, partners and other persons. The business relationships are based on respect, honesty, professionalism, mutual trust, fairness, and commitment.

3.1.5. Managing conflicts of interests:

Employees of the LG Group avoid situations that could provoke conflicts of interests.

Employees of the LG Group of Companies declare public and private interests in accordance with the procedure established by the Law on the Coordination of Public and Private Interests RoL and internal legal acts.

Employees of the LG Group of Companies inform the immediate manager of any conflict of interest in accordance with the procedure established by internal legislation and withdraw from the procedures of preparation, consideration or adoption of decisions that may cause a conflict of interest.

LG employees avoid situations where their relatives work in that department (unit, etc.) or work area. Employees and their close associates shall not hold any position which is directly subordinate to them or in a position in which the employee and a person close to him or her may make decisions in relation to each other.

3.1.6. Protection of personal data and confidential information:

When collecting, using and storing personal data, LG Group employees comply with EU and Lithuanian personal data protection legislation, LG Group internal procedures and policies. Employees of the LG Group shall, to the extent possible, protect personal data from unintentional or unlawful destruction, loss, alteration, unauthorized disclosure or unauthorized access thereto, both within and outside the LG Group.

LG Group employees protect LG / Business Unit trade secret and other confidential information that they learn in the course of their duties, do not disclose it and do not pass this information to unauthorized persons.

LG Group employees do not directly or indirectly use the know-how gained from the LG Group internal processes for personal purposes.

Employees of the LG Group of Companies continue to protect the commercial (industrial) secrets and confidential information of the LG / Business Unit, which they learned while working in the LG Group of Companies, and do not disclose confidentiality information regulations provided for in the Labour Code of the Republic of Lithuania.

3.1.7. Resistance to corruption:

LG Group employees adhere to the zero-tolerance policy with regard to any form of corruption, employees do not, directly or indirectly, offer, give or allow to give bribes, nor do they solicit or accept them.

LG Group employees do not accept, give or demand gifts or other hospitality that may influence objective and impartial decisions.

Gifts accepted by LG Group employees comply with the requirements set forth in the LG Group internal legislation.

4. Final Provisions

4.1. LG Group employees are encouraged to report possible violations of this Code of Ethics, criminal activity planned, being committed or committed in the Group, possible illegal actions or omissions of LG Group employee (s), improper performance or non-performance of duties, abuse or other actions of LG Group employee (s) in the following ways:

- Making a free call on (8 5) 269 3600 Hotline;
- Writing at prevencija@bekorupcijos.lt;
- Visiting LG website section “Anti-corruption” and writing a message at <http://www.litrail.lt/korupcijos-prevencija>.

4.2. The Code of Ethics is applied insofar as it is in compliance with the laws of the Republic of Lithuania and / or other applicable legal acts.

4.3. The Code of Ethics shall be reviewed at least once a year and updated if required. Business Security Unit of the Safety and Risk Management Department shall initiate the revision and update of this Code.