

LIETUVOS RADIOJO IR TELEVIZIJOS CENTRAS AB

CORRUPTION PREVENTION POLICY

1. GENERAL PROVISIONS

1.1 This Corruption Prevention Policy (the 'Policy') of Lietuvos radijo ir televizijos centras AB (the 'Company') outlines anti-corruption principles and measures applied by the Company with the aim to prevent and control corruption.

1.2 The Policy has been formulated in accordance with the Republic of Lithuania Law on the Prevention of Corruption, the National Anti-Corruption Programme of the Republic of Lithuania for 2015-2025 approved by Resolution of the Seimas of the Republic of Lithuania No XII-1537 of 15 March 2015 'On the approval of the National Anti-Corruption Programme of the Republic of Lithuania for 2015-2025', the Manual for Creating and Implementing an Anti-Corruption Environment (In Public and Private Sectors) prepared by the Special Investigations Service, and the Articles of Association of the Company.

1.3 The Policy applies to all employees of the Company, and this document is published on the Company's website and Intranet.

1.4 The terms used in the Policy correspond to the terms used in the Republic of Lithuania Law on the Prevention of Corruption.

2. ANTI-CORRUPTION PRINCIPLES

2.1 The Company applies the following principles in the corruption prevention activities:

2.1.1 **Zero-tolerance towards corruption.** Each employee is a representative of the Company. Therefore, all the employees are made conversant with this Policy, must comply with its principles and rules, and perform their job functions in good faith and in a transparent manner.

2.1.2 **Transparency.** The Company operates according to the principles of transparency, impartiality and zero-tolerance towards corruption. The Company complies with the law, publishes its financial statements as required by applicable legal acts, applies the value for money principle, and conducts transparent procurement procedures.

2.1.3 **Responsibility.** The Company conducts its business responsibly, in accordance with the laws of the Republic of Lithuania, international treaties to which Lithuania is a party, European Union's legal acts, resolutions of the Government of the Republic of Lithuania, orders issued by the Minister of Transport and Communications of the Republic of Lithuania, legal acts adopted by other authorities, and internal documents of the Company.

2.1.4 **Works ethics.** The Company seeks trust of its partners, customers and employees, therefore, any actions and manifestations of corruption referred to in this Policy that could produce a negative impact on the Company's reputation and image will not be tolerated.

2.2 In the performance of their functions, employees of the Company must act in good faith and transparently and adhere to the following principles:

2.2.1 **Impartiality** – In any circumstances that could potentially give rise to a conflict of interests of the employee and the Company, the employee must withdraw from the relevant decision-

adoption process and notify his/her line manager and the Corruption Prevention Officer appointed by the Company;

2.2.2 **Priority of the Company's interests** - In the performance of their functions, the employees must seek attainment of strategic objectives of the Company. The employees may not use powers granted to them or information available to them for their own benefit or benefit of persons related to them;

2.2.3 **Confidentiality** – The employees must maintain confidentiality of information designated as confidential information in accordance with a list of information that constitutes trade/industrial secret as approved by the Board of the Company and must comply with the Declaration of Impartiality and Confidentiality;

2.2.4 **Lawfulness** – Each employee must act within his/her remit in accordance with their job description, ensure that every decision taken by them is lawful, and comply with this Policy and other legal acts of the Company.

3. FORMULATION OF THE CORRUPTION PREVENTION POLICY

3.1 The corruption prevention policy is formulated by the Managing Director of the Company within his/her remit to manage corporate activities and governance as stated in the Articles of Association of the Company.

3.2 Responsibility for controlling the prevention of corruption rests with the Head of the Human Resources and Quality Division (Corruption Prevention Officer) appointed by the Managing Director, who:

3.2.1 oversees implementation of the Policy, supervision and monitoring;

3.2.2 organises anti-corruption awareness events for the Company's employees;

3.2.3 conducts the employees' surveys about tolerance to corruption and unethical conduct;

3.2.4 publishes anti-corruption initiatives implemented by the Company;

3.2.5 submits proposals for improving, updating and supplementing the Policy to the Managing Director

3.2.6 makes a corruption risk analysis on an annual basis, prepares conclusions and presents them to the Ministry of Transport and Communications of the Republic of Lithuania within set time limits;

3.2.7 ensures that, on receipt of information about manifestations of corruption, the information is duly examined and the results, conclusions and proposals are presented to the Managing Director of the Company.

4. CORRUPT PRACTICES

4.1 Conflict of interests

4.1.1 A conflict of interests is a situation where an employee of the Company, in the performance of his/her functions, takes decisions, participates in the taking of decisions, or performs other actions for the benefit of private interests of his/her own or of someone in their own family or with whom they have a personal relationship, in violation of the Company's interests.

4.1.2 The employees must avoid circumstances and situations in which their private interests could conflict with the interests of the Company. The Company implements lawful controls and expects that the employees will always take appropriate reasonable decisions and will not seek personal benefit.

4.1.3 The Company does not tolerate any activities of the employees which is contrary to the Company's interests in terms of competition and expects that no employee will work for the benefit of competing organisations or institutions (except in cases specified in the Labour Code of the Republic of Lithuania, use the Company's assets for functions that are not related to work, and/or violate the Company's interests otherwise.

4.1.4 In the event of a conflict of interests and/or suspicions that such conflict could arise, the employee must inform his/her line manager and the Corruption Prevention Officer and withdraw from any consideration of matters related to the conflict of interest as well as taking of decisions thereon.

4.2 Abuse of power

4.2.1 The Company does not tolerate any abuse of power by its employees and any exceeding of authorisations granted by the Company's internal legal acts.

4.2.2 Means of work and any financial and material resources provided by the Company must be used strictly in accordance with set internal procedures of the Company. The employees must safeguard the Company's assets and, if necessary, take action to prevent unlawful use of or damage to the assets and other unlawful conduct.

4.3 Bribery

4.3.1 The Company does not tolerate any bribery.

4.3.2 Bribery is receiving any financial or other advantage for oneself or another person, giving, offering or promising such advantage in order to influence actions or decisions. Bribery can manifest itself in various forms including but not limited to giving cash or valuable gifts, payment for travel or entertainment, providing and/or promising career opportunities, leaking valuable commercial information etc.

4.3.3 Employees of the Company are prohibited from offering, giving, permitting to give, soliciting, accepting or receiving a bribe either directly or indirectly, including through any third party.

4.4 Influence peddling

4.4.1 The Company does not tolerate any influence peddling.

4.4.2 Influence peddling is unlawful practice of using one's position, powers or other influence in order to exert influence over other employees of the Company, other companies, institutions or organisations so that they take actions (or, on the contrary, refrain from acting), either lawfully or unlawfully, in the exercise of their powers.

5. GIFTS AND HOSPITALITY

5.1 A gift is any asset or title transferred free of charge. The term *gift* includes tangible items and benefits of other type that can be measured in monetary terms, such as services, discounts, invitations to take part in events, lending, hospitality etc. No cash may be accepted as a gift irrespective of the amount. Tips received by the staff of *Paukščių takas* cafe bar are not treated as gifts.

5.2 Hospitality is friendly and generous meeting, accepting or servicing a person consisting of a set of tangible (food, beverages) and intangible (servicing, atmosphere, image) elements. For the purposes of the Company, hospitality means events, receptions, entertainment of various types provided to existing and potential business partners in order to strengthen or establish a business relationship.

5.3 Accepting gifts and hospitality:

5.3.1 In the performance of their duties, the employees of the Company must not tolerate/accept any gift that could give rise to a conflict of interests or could be treated as the one exceeding usual business practices and allowing one to assume that the purpose is to gain favour of the employees of the Company or to influence their decisions.

5.3.2 Employees of the Company may accept official business gifts (e.g. souvenirs) and promotional gifts as well as business hospitality (e.g., to participate in a business lunch or dinner, exhibitions, conferences etc.) if such gifts/hospitality are appropriate in terms of maintaining a business relationship and such purpose is clearly expressed, or are aimed at increasing the visibility of services or trademark, or supporting the organisation's image.

5.3.3 Prior to accepting a gift, the employee must always consider whether it is appropriate: how he/she would feel or what would be the influence over the Company's reputation if information about the gift becomes public. If even the slightest doubt exists, the employee must politely refuse the gift.

5.3.4 All the gifts received are treated as the Company's property, excluding small promotional gifts like pens, calendars, notebooks, mugs, USB sticks etc. which remain at the employee's disposal.

5.3.5 The employee must inform his/her line manager about the gift (except in the case of small promotional gifts), who will decide on what to do with the gift: to return it to the giver, to leave it for the employee, to offer it for all employees to share (if it is food or drink), display in the premises of the division or the Company (a work of art, a book). If there are any doubts over the gift or interpretation of any provision of this Policy, or if the value of the gift is more than EUR 30 – the Corruption Prevention Officer must be involved in the decision adoption process.

5.3.6 Where employees of the Company take part in events organised by business partners, clients etc. (exhibitions, conferences, congresses, training events etc.), their business trips are documented and business trip costs are paid in accordance with the Company's internal legal acts. In certain circumstances, when according to established and usual business practices part of the business trip costs are paid by the inviting party, such costs or part thereof can be paid by the inviting party rather than by the Company.

5.4 Giving gifts and showing hospitality:

5.4.1 The Company prohibits its employees from offering and giving gifts in any form if the purpose is to gain unfair advantage or bias of the receiving person's decisions for the benefit of the Company. In addition, situations where the receiving person would feel awkward and indirectly obliged to reward the giver must be avoided.

5.4.2 The value of a gift or expenses for hospitality per person given/shown by the Company must not exceed **EUR 30**, otherwise prior approval of the Managing Director is required.

5.4.3 Prior to giving gifts to other organisations, employees of the Company must familiarise themselves with the organisation's gift policy and satisfy themselves that the gift will be accepted and no awkward situation will arise.

5.4.4 Prior to giving a gift the employee must consider whether the fact of giving of the gift may cause discomfort or issues for both parties if it becomes public.

5.4.5 The Company does not give any excise goods, gift vouchers, discount cards, lottery tickets etc. as gifts.

5.4.6 Invitations for a visit to the TV tower are considered as gifts and the Human Resources and Quality Division is in charge for their accounting and issuance.

6. SPONSORSHIP

6.1 Sponsorship for natural or legal persons having the status of a sponsorship recipient is provided in accordance with the Republic of Lithuania Law on Sponsorship and Charity, Resolution of the Government of the Republic of Lithuania No 533 of 28 June 2017 ‘Regarding approval of the Procedure for the Provision of Sponsorship by State-Owned Companies’, and the Regulations of the Sponsorship Committee of the Company. The Company seeks to ensure that its sponsorship reaches target groups and organisations the activities and initiatives of which are in line with the Company’s values and aspects of social responsibility.

6.2 Sponsorship may not be used as a concealed means of bribery or influence peddling.

6.3 The Company refrains from supporting political parties in any form.

7. EMPLOYEE SELECTION AND ASSESSMENT. NEPOTISM

7.1 Search for potential candidates for positions in the Company, recruitment and selection, and other human resources management procedures are organised and carried out in accordance with the law and following the principles of reasonableness, objectivity, impartiality, equality and mutual respect.

7.2 The Company does not promote family members, relatives and other related parties in the relations of direct subordination and control.

7.3 The Company does not tolerate subjective and biased assessment of the employees. The Company has adopted an approach that the employees’ conduct in work environment must be professional, communication with colleagues and third parties must be business-like and their opinions and argumentation must be listened to.

8. CONFIDENTIALITY

8.1 The employees of the Company must put forth reasonable efforts to maintain confidentiality of the Company’s information, trade/industrial secrets and personal data that become known to the employees through performance of their work functions and/or on other legal grounds, and must not disclose and/or otherwise transfer such information to third (unauthorised) parties and/or perform other unlawful actions.

9. TRANSPARENT PROCUREMENT

9.1 The Company conducts procurement procedures impartially and transparently, strictly in accordance with the Regulations on Procurement of Goods and Services

9.2 Employees of the Company whose activities are related to the Company’s procurement procedures must act according to the principles of good faith, unbiased treatment and transparency.

10. LIABILITY

10.1 A violation of this Policy is deemed to be a violation of work duties and the employee will be subject to liability according to the Lithuanian law and the Internal Work Procedures of the Company.

10.2 Cases where a violation of the Policy contains indications of a criminal act will be reported to competent authorities and the offender will be subject to liability according to the Lithuanian law.

11. FINAL PROVISIONS

11.1 Each employee of the Company is personally responsible for familiarisation with this Policy and agrees to comply with it.

11.2 The employees are encouraged to report violations of the Policy to the Corruption Prevention Officer via email korupcijos.prevensija@telecentras.lt. Confidentiality and protection against any negative consequences is guaranteed in such cases.

11.3 Each employee of the Company may make proposals for the improvement of the Policy.

11.4 Information about anti-corruption activities of the Company is published on its website at <http://www.telecentras.lt/apie-mus/korupcijos-prevensija/>
