# 1. PURPOSE AND SCOPE

1.1. To detail the provisions of the Anti-Corruption Policy of AB “Ignitis grupė” and the Code of Ethics of AB “Ignitis grupė” in the area of gifts and hospitality management, to establish a unified practice of gifts and hospitality management, the form of the register of gifts, and the procedure of registration of gifts within the Group.

1.2. The Standard shall be mandatory for all Employees of the Group Companies.

1.3. Group Companies incorporated and operating in foreign countries shall apply the provisions of this Standard to the extent consistent with the laws of those countries.

# 2. DEFINITIONS

2.1.[The glossary](https://letic.sharepoint.com/sites/vv/Lists/Glossary/AllItems.aspx) includes the following general terms: [Enterprise](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=358&e=a2a2Rp), [Employee](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=201&e=MuZmYk), [Gift](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=372&e=xgGDxh), [Group](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=242&e=t2bIzh), [Anti-Corruption Management System (ACMS)](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=370), [Company](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=241&e=sODYN3), [Business Partner](https://letic.sharepoint.com/sites/vv/Lists/Glossary/AllItems.aspx).

2.2.The **Register of Gifts** shall be an electronic form in Sharepoint to be completed by a Group employee to register a gift.

2.3. The **Gift Valuation Committee** shall be a gift valuation committee established by decision of the Head of Business Resilience.

# 3. GENERAL PROVISIONS

The Standard details the provisions contained in the Group’s Anti-Corruption Policy and Code of Ethics, which are used as a basis for the prevention of corruption and the creation of an anti-corruption environment within the Group.

3.2. The Standard sets out the procedures for the treatment of [Gifts](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=372&e=HvxTjb) by [Employees](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=201&e=SWF8yb).

3.3. The Group publicly declares the principles of its gift standard to avoid ambiguous situations and in the hope that all individuals will help to comply with them.

# 4. GIFTS POLICY

**4.1. Zero Gifts Policy**

4.1.1. We have a ***Zero Gifts Policy*** within the [Group](https://letic.sharepoint.com/sites/vv/Lists/Glossary/DispForm.aspx?ID=242&e=XqVsAc), which means that we do not give Gifts to [Business Partners](https://letic.sharepoint.com/sites/vv/Lists/Glossary/AllItems.aspx) and do not accept Gifts except for:

4.1.1.1.1. Cases of gift-giving and hospitality when required by the customary practice of international protocol *(International protocol is understood to be the set of generally accepted rules and traditions that govern the way in which governments, foreign services, diplomatic missions, officials, etc. communicate with one another);*

4.1.1.2. Cases of gift-giving during official and/or public events, where the Gift is given to a Group Employee and/or a group of Group Employees as representative(s) of the Group, in public view of other participants of the event *(e.g., a gift is given to the Company on the occasion of the celebration of the Energy Industry Workers’ Day in Lithuania; a gift is given to the Company for specific activities/achievements/results in a particular field, etc.).*

**4.2. Rules for Accepting and Giving Gifts**

4.2.1. Employees shall not accept Gifts if the gift-giving is related to the Employee’s functions, tasks, projects and/or position (status).

4.2.2. Employees shall not accept Gifts if the gift may call into question the objectivity of the decision-making and/or the impartiality of the Employee.

4.2.3. The Group shall not accept or give any Gifts or provide hospitality that could be construed, directly or indirectly, as consideration, influence or protectionism.

4.2.4. Employees shall be prohibited from directly or indirectly soliciting or requesting Gifts and/or hospitality from Business Partners, nor may Employees take any action that could be construed as expectation of a Gift.

4.2.5. Employees shall not accept or give money, gift vouchers, discount cards or coupons, securities, tobacco products or alcoholic beverages.

4.2.6. Employees shall not accept invitations and/or offers from Business Partners to participate, free of charge and/or without remuneration, in training and/or events that are paid for by other participants, unless the Employee is invited as a representative of the Group or the Company to be a speaker at the event or a lecturer during the training and the presentation or the training topic are related to the Employee’s field of activity.

4.2.7. The Group shall aim to use, for example, positive feedback or a written or verbal thank-you, rather than a Gift, to recognise an Employee’s good work or successful cooperation.

**4.3. Gifts-Giving and Interest Management**

4.3.1. An Employee shall be prohibited from accepting or giving Gifts of any value which may give rise to a conflict of interest or the appearance of a conflict of interest, or which may create a moral or other obligation, or which may influence negotiations, purchases, transactions or otherwise influence decisions or cast doubt on the objectivity of such decisions and/or impartiality of the Employee.

4.3.2. An Employee who has accepted a Gift from a natural or legal person, either personally or through intermediaries, may not take part in the preparation, consideration or decision-making process in respect of the person who has given the Gift for one year. The procedures for recusal and removal of Employees shall be governed by the Group’s Recusal and Removal Standard.

**4.4. Gifts-Giving and Unlawful Consideration**

4.4.1. Anything given to an Employee in connection with the performance of their duties or position and not in compliance with the provisions of Article 13(2) of the Law of the Republic of Lithuania on the Adjustment of Public and Private Interests shall be considered as unlawful consideration.

4.4.2. If an Employee is to be given unlawful consideration, the Employee must refuse to accept it and inform an employee of the Company’s Business Safety Functional Area.

4.4.3. Employees who suspect an attempted bribery or other corruption-related offence must report it to the Company’s Business Safety Functional Area.

**4.5. Registration of Gifts**

4.5.1. All Gifts received and given by Employees (irrespective of their value and nature) shall be recorded in the Register of Gifts (*Annex 1*) within five working days of the Gift being given or accepted, except for the exceptions provided for in paragraph 4.6 of this Standard.

4.5.2. A record shall also be kept in the Register of Gifts of any gift given to an Employee which, due to objective circumstances, the Employee was unable to refuse (e.g., the gift had been left on the Employee’s desk without the Employee noticing, sent by post, passed on through another Employee, etc.) and the following actions shall be carried out:

4.5.2.1. Once the gift has been registered, the gift shall be returned to the gift-giver if this is objectively possible (*e.g., the gift-giver and their contact details are known, etc.*);

4.5.2.2. If the gift cannot be returned (e.g., the exact person who made the gift is unknown, the nature of the gift prevents it from being returned or sent), it shall be transferred to the Gift Valuation Committee, which shall take one of the following decisions:

4.5.2.2.1. To put the Gift in a place where it can be freely used by all employees and by persons who contact the Group; 4.5.2.2.2. To give the gift, depending on its form and nature, to support or charity organisations or other persons in need;

4.5.2.2.3. To destroy the gift;

4.5.2.2.2.4. To contact law enforcement authorities.

4.5.3. The Register of Gifts shall be completed electronically. The data in the Register of Gifts shall be collected and stored on computer storage media and/or document management systems used by the Group.

4.5.4. Records of gifts accepted or made by an employee shall be retained for 1 (one) year from the date on which the record was made. At the end of the retention period, the records shall be destroyed.

4.5.5. The data in the Register of Gifts shall not be disclosed to third parties, except as provided by law.

**4.6. The Following shall not be Valued or Registered in the Register of Gifts**

4.6.1. Gifts, incentives, motivation and inducements intended for Employees given and received within the Group companies (*e.g., a Christmas gift from a Group company to an Employee, other benefits provided to an Employee, etc.*).

4.6.2. Motivational and incentive measures intended for Employees given through orders or decisions (*e.g., a national award, a personal gift for long service, retirement, etc.*).

4.6.3. Event organisation items (*e.g., a participant’s pen, notepad, pencil, various prizes for event participants, quiz winners, pupils, students*).

4.6.4. Marketing/sales promotion campaign items (*e.g., prizes, gifts given to customers as a sales incentive and/or to retain or attract new customers, etc.*).

4.6.5. Invitations for Employees to free training and/or other events that are also free of charge to other participants/members of the public.

# 5. ACTIVITIES OF THE KEEPER OF THE REGISTER OF GIFTS AND THE GIFT VALUATION COMMITTEE

5.1. Gifts given or accepted in accordance with the procedure set out in paragraph 4.1, which are clearly less than EUR 150 in value, shall not be transferred to the keeper of the Register of Gifts and shall not be valued.

5.2. An accepted Gift which the employee considers to be worth more than EUR 150 shall be presented by the employee to the keeper of the Register of Gifts appointed by a decision of the Head of Business Resilience, within five working days of the acceptance of the Gift.

5.3. The keeper of the Register of Gifts shall draw up a temporary storage record *(Annex 2)* when accepting a Gift for storage.

5.4. The keeper of the Register of Gifts shall, at least once a quarter, provide information on gifts (if any) that have been given to the keeper and are possibly valued at more than EUR 150, to the Gift Valuation Committee (the “Committee”), which shall be formed by a decision of the Head of Resilience and consist of at least three employees.

5.5. The Committee shall valuate the gifts submitted. The Committee’s decisions shall be documented in a valuation report *(Annex 3)*. The report shall be approved by the Chairperson of the Committee.

5.6. During the valuation of gifts, the Committee shall be guided by the provisions of the Law of the Republic of Lithuania on the Bases of Property and Business Valuation. Gifts that are not traded on the market or whose acquisition value cannot be determined shall not be valued (this shall be stated in the valuation report) and their value shall not be entered in the Register of Gifts.

5.7. If the value of the gift is found to exceed EUR 150 or if it is impossible to determine the value of the gift (if the gifts are not valued), the gift shall be entered in the Register of Gifts and stored in the Company in such a way that it can be freely used by both employees and persons contacting the Group company.

5.8. If the Gift Valuation Committee determines that the value of the gift is less than EUR 150, the gift shall be returned to the Employee and it shall be deemed to be the Employee’s property, while the Employee shall be free to dispose of the gift in any manner they deem appropriate.

5.9. In the event of a dispute as to the value of a gift, property valuation specialists and experts may be invited to value the gift.

# 6. FINAL PROVISIONS

6.1. The Head of Business Resilience of the Company or their designee shall be responsible for the implementation of the Standard, overseeing its implementation and/or initiating changes to its individual provisions. If there is no employee responsible for the implementation of the Business Safety Functional Area in the Company and the Company’s internal procedures do not specify to whom this function is assigned, the Head of the Company shall be responsible for the implementation of this Standard in the Company.

6.2. The Standard may be amended and updated in accordance with changes in the Group, decisions of shareholders, the Supervisory Board, the Company’s Board, and the Company’s Chief Executive Officer.

6.3. Failure to comply with the provisions of the Standard shall constitute a breach of employment duties.

# 7. ANNEXES

7.1. Annex 1. Instructions for Completing the Register of Gifts.

7.2. Annex 2. Temporary Storage Record.

7.3. Annex 3. Valuation Report.

# 8. RELEVANT LEGISLATION

* 1. [The Anti-Corruption Policy of the Group](https://apps.powerapps.com/play/e/14a54596-c267-46fd-80f9-37bc905eb4bb/a/56132d94-e39e-4ad8-bc03-2d24d416914d?ItemID=479&hidenavbar=true);
  2. [The Code of Ethics of the Group](https://www.ignitisgrupe.lt/lt/etikos-kodeksas);
  3. [Standard for Employee Recusal and Removal of the Group](https://letic.sharepoint.com/sites/vv/DokumentuFailai/Forms/AllItems.aspx?RootFolder=%2Fsites%2Fvv%2FDokumentuFailai%2F1028&FolderCTID=0x012000FDA222037B7D01478AC2A9D3201D1BB9);
  4. [Law of the Republic of Lithuania on the Adjustment of Public and Private Interests](https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.41669/asr);
  5. [Law of the Republic of Lithuania on the Bases of Property and Business Valuation](https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.82185/asr).