

APPROVED BY
by order No. 22-0502 of the
Director of UAB “Graina”
of 2nd of May, 2022

UAB “Graina”

CODE OF BUSINESS ETHICS

We are a leading Company engaged in sales and maintenance of medical equipment and materials, supplying highest quality medical and software solutions for medical institutions and providing medical equipment maintenance, personnel training, consulting services.

The main principles we follow in our activity are transparency, honesty, openness, fair treatment and rationality. The Company follows the requirements of all national and international legal acts governing its activity, ISO 9001 quality management standard, ISO 14001 environmental management standard, internal procedures of the Company, including Company policy for prevention of corruption and money laundering, and fair competition, ensuring implementation of the key operating principles.

Working in a very sensitive area we feel responsible for our actions, which may impact not only our employees, but clients and the entire community as well. Our responsibilities and obligations in establishing business relations are defined in this Code of Business Ethics, which sets out the basic principles, requirements and guidelines according to which we develop and maintain relations with our employees, clients, partners, authorities, state institutions, the community and the environment.

This Code of Business Ethics is applicable to all employees of the Company working in Lithuania, as well as foreign branches (in Latvia and Estonia), including members of management and supervision bodies, persons employed under civil agreements, consultants, intermediaries, agents and other persons employed, acting in the name of the Company, regardless of the form of relations with them and remuneration. This Code of Business Ethics is also applicable to the partners of the Company.

FAIR CONDUCT IN THE COMPANY

Obligations of the Company to the employee

We seek to employ, develop, motivate and maintain professional employees. We provide all necessary measures, strive to create conditions for proper performance of everyone’s duties, to ensure a safe and healthy work environment.

Ensuring a transparent and legitimate cooperation. In cooperation with employees we follow legal acts governing working relations. We ensure that all employees would be familiar with and know their rights, duties, obligations and would follow them in performance of their work functions.

Respect to the employee. We treat our employees with respect, we seek to create an

environment, in which every employee would feel important and respected.

Equality and non-discrimination. We do not tolerate any discrimination, humiliation, harassment or insulting based on the race, sex, age, nationality, religious or political beliefs or other personal characteristics of employees. All employees have equal conditions for working and development in the Company. We follow the same principles in the process of hiring new employees. We select employees according to their competencies, professionalism, values, and willingness to improve. Work is assessed according to results, considering duties and market situation.

Employee privacy. Employees have the right to privacy and can only disclose information necessary according to documents established in legal acts to the employer. We collect, store and use personal data only according to the requirements of legal acts. Employees have the right to familiarize with information we store about them, except cases established by law, and the right to request correction of inaccuracies if necessary.

The Company may verify and store personal data, information, perform surveillance of employee correspondence and use of the means of communication provided by the Company in the workplace only strictly according to requirements established by law.

The Company does not interfere in the personal lives of employees, but the every-day activities of employees must not contradict the continuity, improvement of the activities of the Company, cannot degrade the reputation of the employer, therefore employees must refrain from any actions, which could cause dissatisfaction or mistrust of business partners, customers or the public.

Occupational health and safety. Working in an area caring for protection of public health and life we also seek to ensure healthy, safe working conditions for our employees, to constantly improve them, we employ preventive measures considering possible occupational hazards. We aim to completely avoid accidents at work.

We strictly follow established occupational safety requirements. Before starting work in the Company every employee is familiarized in detail with the rules of occupational safety and undertakes to comply with them. We encourage employees to update such knowledge on a regular basis.

If an employee informs the Company about possible occupational safety hazards in some area or suggests means for improving the working environment, we immediately react and take all necessary preventive measures for ensuring the safety of employees.

Obligations of the employee to the Company

In order to ensure implementation of the main activity principles of the Company, the employees of the Company must also strictly follow certain obligations as well.

Protection the confidential Company information. Before starting working in the Company every employee is informed that any information about the company, which has not been disclosed or known to the public (third parties), is considered confidential (not public). Every employee is obligated to ensure proper protection of such confidential information from third parties, including their family members.

The obligation of employees to protect confidential information remains even after termination of employment relationships with the Company. In the event of termination of employment agreements, protection of confidential information is valid to the extent established in the employment agreement, but no less than one year, as established by the requirements of legal acts governing employment relations.

Employees are obligated to avoid conflicts of interest. A conflict of interest is a situation when the personal or family interests of employees, members of the bodies of the Company are contrary or could be contrary to the interests of the Company or its clients.

An employee of the Company must avoid activity contrary to the legitimate interests of the Company, or activity, which could cause doubts regarding conflicts of interest. An employee must inform the Company and ensure that alternate activity shall not cause conflicts of interest before taking up any other professional activity or actively participating in other activity outside the Company. The Company does not prohibit performance of any other activity, which cannot cause conflicts of interest.

Employees must remain impartial in business relations, they should not provide unreasonable benefits to other business entities or get involved in situations that cause or could potentially cause a conflict of interest with the interests of the Company.

In the event of changes of any associated circumstances employees must inform their direct supervisors immediately.

Use of Company property. Any working means and all transferred property must only be used for performing work functions, implementing the business aims of the Company.

Employees must not process, download, store or disseminate illegal information, information, which is infringing copyright laws, offensive or inappropriate on any other grounds (contrary to public order, good morals, etc.) using software legally acquired and provided by the Company. The email allocated to employees by the Company must only be used for work purposes and should not be used for personal communication.

Management of business and financial documents. The Company does not tolerate forgery. Every employee guarantees that all documents must be prepared in accordance to the requirements of legal acts, and must be properly stored.

Every employee of the Company is responsible for preparation of proper, accurate and compliant documents, including financial documents, to the extent that they are processed by each employee. Employees must ensure that reports submitted to supervisory institutions are correct, accurate and timely submitted.

Representing the Company. Employees of the Company may participate in events, formal meetings, consultations, presentations, where they aim to represent the interests of the Company, form business relations, get acquainted with the activity, goods and services of the Company. During participation in such events employees must strictly follow the internal procedure of the Company.

Employees may give (or receive) gifts for representation purposes only if such gifts are intended for representation, i.e. if they bear the logo of the Company, e.g., pens, candy or other low-value gifts, after careful consideration if such gift cannot be understood as illegal intentions as

set forth in the Company policy for prevention of corruption. Giving alcoholic beverages is strictly forbidden.

Employees cannot give comments about the activity of the Company, their work functions or other matters associated with the Company to members of the press without consent of the head of the Company. Employees cannot give any comments about anything not associated with their activity. Employees must avoid any public statements, opinions on social media made in the name of the Company.

FAIR CONDUCT IN THE COMMUNITY

The company is constantly in contact with clients, business partners, authorities, public institutions and other entities. The Company seeks to ensure professional, transparent, fair communication covering only what is necessary, without disclosing confidential information that could harm the Company or be contrary to its interests.

Relations with clients

We follow the highest client service standards and maintain impeccable, professional, formal business relations. The quality of client service is one of the priorities of our activity. Therefore we always consider the wishes, comments, requests of clients, react immediately, solve arising problems, search for ways to improve the quality of services and aim for the best results.

Relations with business partners

The Company is constantly trying to improve the quality of its goods and services, to offer innovations, and this inevitably requires maintaining and improving good, formal and professional relations with current business partners and forming new business relations.

We seek to cooperate with partners, whose concept of ethics is in line with the one adopted by the Company.

We do not form relations with economic entities included in the list of economic sanctions approved under legal acts of the European Union or entities, which are otherwise associated with sectors, to which sanctions are applicable according to legal acts of the European Union, as well as economic entities who pose a threat to national security or are suspected of a potential threat.

We strictly follow mutual obligations and protect the confidential information provided to the Company by business partners without any exceptions.

Relations with authorities and state institutions

The Company follows the provisions of law and openly and transparently communicates with authorities and state institutions.

We provide all necessary information timely and properly, we follow the legal acts governing such processes.

The Company ensures conditions for authorities to carry out inspections, cooperates, promptly reacts and provides detailed and accurate information during inspections.

We immediately rectify any identified cases of non-compliance and take preventive measures to avoid occurrence of such cases in the future.

Company anti-corruption policy

The Company has prepared and is constantly updating a policy for prevention of corruption and money laundering. All employees of the Company are familiarized with it. The policy for prevention of corruption and money laundering is applicable to all employees without exceptions, and this Code of Business Ethics is applicable to them as well. According to the Company, following this policy is particularly important in communication with clients, business partners, authorities and state institutions.

Corruption prevention. The Company does not tolerate corruption of any kind and has taken all preventive measures in order to prevent occurrences of corruption in the Company and to fight it:

Prohibition of bribery. The Company does not tolerate any kind of bribery. A bribe should be considered an illegal or unreasonable remuneration in the form of material or other benefit, despite its economic or market value for oneself or another person in exchange for desired legal or illegal actions of state officials or third parties. The Company does not offer, give, request or take bribes and prohibits giving any bribes. If one receives a request to give or suggestion to receive a bribe, the employee must inform the responsible person in the Company.

Provision of support. The Company does not tolerate support, which could be understood as bribery. The Company does not endorse any political parties, political organizations or politicians and seeks to ensure that support provided according to internal regulations of the Company would not be used for financing political parties or political campaigns, or for covering any indebtedness of the participants of political campaigns, which have accrued during the period of any political campaigns.

Gift and hospitality. The Company accepts and gives only gifts and hospitality, which do not exceed the standards of normal business relations and transparency. The Company does not tolerate any gifts, payments or hospitality aimed to encourage or remunerate for decisions or to acquire favours, favouritism or exceptional treatment in any activities related to the Company. When accepting any invitation to participate in expos, conferences, and employees must consider if such actions are intended for illegal purposes, participation in events may negatively impact the image and reputation of the Company. Employees must inform the responsible person of the Company about any gifts offered, except low-value souvenirs (representative gifts).

Nepotism and cronyism. The Company does not patronize relationships in direct subordination and control of family members, relatives and other related persons (nepotism) and friends (cronyism).

Prohibition of trading in influence. The Company prohibits any form of trading in influence. Trading in influence is considered to be direct or indirect (through an intermediary) suggestions, promises, agreements to give or giving bribes so that another person would use his/her public standing, position, authority, kinship, contacts, or other possible influence on a state or municipal institution or body, international public organization, a civil servant or a person equivalent thereto, or affect the institution, body or organisation, a civil servant or a person equivalent thereto, so that they would lawfully or unlawfully perform or refrain from

performance of their powers. In the event of determining signs of trading in influence in the Company an employee must inform the responsible person of the Company.

The Company is constantly performing corruption prevention, has so far conducted and intends to continue training employees on this topic in order to ensure that they are best informed, to update their current knowledge and to prevent any forms of corruption in the Company. All employees are informed in advance about training and the dates thereof.

Prevention of money laundering. Money laundering is considered to be actions intended to legitimize funds or other property acquired illegally, or to disguise the origin thereof – this includes any actions (forms), established in applicable legal acts of the Republic of Lithuania.

The Company does not tolerate money laundering of any of the indicated forms:

Changing the legal status of property. Changing the legal status or renaming of property while being aware that such property has been acquired through illegal means or from participation in criminal activity in order to conceal or disguise the illegal origin of property or helping any person involved in criminal activity to avoid legal consequences of such activity.

Concealing/disguising. Concealing or disguising the true nature, true origin, source, location, disposal, movement, ownership or other rights associated with property, while being aware that such property has been acquired through illegal means or from participation in criminal activity.

Disposal. Acquiring, management or use of property, while being aware at the time of acquisition (transfer) that such property has been acquired through illegal means or from participation in criminal activity.

The Company and its employees ensure that they do not have any property acquired illegally, and the Company monitors monetary transactions (monitors operations and checks the information of entities performing them in the event of doubts regarding the entity transferring funds or the origin of funds after a monetary operation is completed) in order to prevent acquisition of such property. The Company prioritizes settlement for goods or services by electronic means of payment.

An employee must immediately inform the relevant institutions responsible for investigating such actions in the event of suspicious monetary operations or suspicions regarding the entity performing a monetary operation.

The Company conducts its business in a way corresponding to the highest public standards of reliability, honesty and transparency.

Relations with competitors and upholding fair competition

We understand that the effectiveness of a business depends on ensuring fair competition, therefore we always compete in accordance with legal acts governing competition, and we do not seek to distort competition by illegal means in any way.

The Company has prepared and is constantly updating a policy for fair competition. All employees of the Company are familiarized with it. The policy for fair competition is applicable to all employees without exceptions, and this Code of Business Ethics is applicable to them as well.

The Company does not tolerate limiting competition any means and undertakes to take all preventive measures in order to prevent occurrences of restriction of competition in the Company and to fight them:

Prohibition of prohibited agreements. A prohibited agreement should be considered as any contact enabling reaching a consensus and eliminating the competition surprise/uncertainty regarding further actions of the other party. An agreement may include any agreements, decisions, and coordinated actions.

The Company does not tolerate any kind of prohibited agreements. The Company does not directly or indirectly offer, encourage or permit limiting competition. In order to avoid violations of legal acts governing competition the Company does not conclude any prohibited cartel agreements or any agreements on division of the market in any way.

If employees of the Company receive information from a competitor, any direct or indirect proposition or if they see a willingness to conclude prohibited agreements and/or perform activity, the performance of which may be considered a violation of competition regulations, from the actions of a competitor, they must immediately inform the responsible person of the Company and indicate a clear position that the Company is not interested in such propositions, and must terminate communication of such nature.

Prohibition of price control. The company does not tolerate any kind of price control. Employees of the Company are prohibited from directly or indirectly seeking to implement price control, they are prohibited from concluding agreements with competitors regarding price control, which could directly or indirectly promote stabilization of price levels or otherwise decrease competition of prices.

The Company does not take any actions, which could call into question a violation of fair competition.

Relations with the community, environment

We are a socially-responsible business. We follow all environmental protection laws, regulations and permits in our every-day activity.

We strive to minimize the impact of our activity on the environment: we use partners who are sustainable and improve their production activities to be as environmentally friendly as much as possible, we represent market participants (suppliers) producing environmentally-safe products, we seek to be socially responsible in our every-day activity – reduce the amount of waste and CO₂ emissions, we do not store documents, which could be stored electronically, etc.

We uphold the quality management standard *LST EN ISO 14001:2015 Environmental management systems. Requirements and guidelines for use (ISO 14001:2015)*, this shows our responsible approach to global and local environmental issues and our actual commitment to protecting the environment.

Also, in response to the situation in Ukraine we strive to not remain indifferent and assist its citizens, including employment of such persons in the Company.

Honest payment of taxes

The Company follows legal acts governing payment of taxes. We ensure honest, responsible, transparent and timely fulfilment of obligations to the state.

The Company is one of the TOP 500 legal entities according to the amount of taxes and other payments made to the account of the State Tax Inspectorate. Information of such payment is public: <https://www.vmi.lt/evmi/daugiausiai-i-vmi-saskaita-sumokantys-mokesciu-moketojai>.

The Company does not avoid payment of taxes, does not conceal revenue, does not engage in financial machinations and categorically refuses to cooperate with entities that do not follow the same tax payment policy.

Processing of data

The Company follows the requirements of the General Data Protection Regulation (GDPR). The Company follows the following principles when processing personal data:

Legality and transparency. Personal data shall only be processed lawfully, transparently and fairly in relation to the data subject.

Principle of purpose limitation. The Company only processes data for purposes related to the activity of the Company (e.g., forming orders, delivery, provision of consultation services, etc.) and the person, whose data is being processed is informed about it.

Reduction of the amount of data. The Company only collects and processes personal data necessary for achieving the purpose.

Principle of accuracy. The Company ensures accuracy and timely updating of personal data according to the purposes of processing, as well as correction of data if necessary.

Principle of compatibility. The Company cannot use personal data for other purposes, not corresponding to the primary purpose associated with the activity of the Company.

Principle of limiting storage duration. The Company ensures that personal data is not stored longer than necessary for achieving the aims, for which it was collected.

Principle of integrity and confidentiality. The Company is using suitable technologies and has integrated suitable technical and organisational security means, ensuring safety of personal data, including protection from unauthorised or illegal processing, as well as accidental loss, destruction or damage.

Implementation, supervision, control of the Code of Business Ethics

The head of every Department of Company undertakes to familiarize all newly hired employees with this Code of Business Ethics, and every new and current employee undertakes to follow it.

In order to ensure implementation of the provisions of this Code of Business Ethics, prevention of possible violations, transparency and trust, the Company creates conditions for informing about violations and receive necessary implementation-related information.

Employees of the Company, who identified actions contrary to the Code of Business Ethics,

must immediately report them by email etika@graina.lt.

The Company shall take all measures to protect persons reporting violations of the Code of Business Ethics from any negative consequences (dismissal, summary punishment, etc.). The Company guarantees non-disclosure of the identity of the reporting person.

The Company ensures proper examination of any possible violations by authorised, competent persons. Examination results, conclusions, suggestions are submitted to the head of the Company.

Disciplinary actions, including removal from the current position, resignation, dismissal or termination of agreement, shall be taken immediately if actions contrary to the Code of Business Ethics of the Company are identified. The Company shall inform competent law enforcement authorities if signs of criminal activity are identified.

The Code of Business Ethics is regularly reviewed and updated considering changes of legal acts and good practice, including, but not limited to, the area of corruption prevention. The Code of Business Ethics is reviewed and updated if necessary.