



Approved by the Board of AUGA group, AB on November 22, 2019

CODE OF BUSINESS ETHICS

INTRODUCTION

As one of the largest vertically integrated organic food companies in Europe, we apply extremely high standards of business ethics in our activities.

We seek to create benefits for our customers, employees, society, shareholders, so we must be fair, ethical, and comply with the laws in force in all areas of activity.

In day-to-day activities each employee and members of management bodies of AUGA group, AB (Company) with its subsidiaries (Group) rely on the Company's values. The principles of the Code of Business Ethics shall apply to all employees, members of management bodies, persons acting in the interests of the Group based on services, consultancy or other contracts.

PURPOSE

The purpose of the Code is to establish general provisions and principles of the business ethics of the Group, as well as the main guidelines for their implementation and resolution of potential conflicts of interest.

FAIR CONDUCT WITH EMPLOYEES

Ensuring high standards of business ethics starts first within the Group, so we employ motivated, professional employees and develop their loyalty.

Our purpose is to provide employees with all the measures they need to carry out their duties properly. We take care of the health and safety of the employees, so we are constantly investing in improving working conditions. We do so in compliance with the laws and in accordance with the requests of employees.

We respect our employees, we feel responsible for them. We ask the same from each employee: respect for each other and responsibility.

We treat employees fairly. We select them according to their experience and competences, in accordance with that we set boundaries of responsibility and shape tasks.

Each employee shall have a clear understanding of his / her role in the Group's activities. Work shall be remunerated in a fair and transparent manner.

Compliance with international human rights standards



Respect for human rights is an integral part of the Group's core values. The Group follows corporate practices and principles consistent with the principles of the Universal Declaration of Human Rights and the provisions of International Labour Conventions.

Ensuring of equality and diversity

We do not tolerate any discrimination, humiliation, harassment or insults based on the sex, age, nationality, race, religious and political beliefs or other personal characteristics of employees. All employees have equal conditions to work and improve in the Group and their work is evaluated according to results.

This principle is rigorously respected in the performance of selection of employees and in the negotiation of remuneration.

Health and safety

We work in an area where the safety of employees is of paramount importance, so we strictly adhere to the established safety requirements, constantly improve the working environment, and implement preventive measures in order to minimize the factors that may adversely affect the health or safety of employees.

Each employee is acquainted in detail with the work safety rules before starting work in the Group. We encourage employees to update this knowledge regularly.

We follow laws and good practices in creating working environment. We seek to avoid accidents at work entirely.

Each employee shall inform the management if he / she sees a safety threat in any area and to propose ways to improve the working environment.

Employees are the most important guarantor of the Group's development, so we seek to ensure that all employees in the Group have equally good working conditions.

Protection of private personal data

Employees shall have the right to privacy and disclose to the employer only the information necessary for the preparation of the various documents provided in the legal acts. The Group may verify and store personal data, information, carry out monitoring of employee correspondence and use of communications provided by the Group in the workplace only in strict compliance with the requirements established by laws.

Only the data related to the purposes for which the personal files have been created shall be stored and accumulated in the personal files of employees, and only respectively authorised employees of the Group may use these files. Employees shall have the right to have access to the information contained in their personal file, except for the exceptions provided for by laws, and, if necessary, to request rectification of inaccuracies.



The Group does not interfere in the personal lives of employees, but in day-to-day personal activities employees must not damage the employer's reputation and refrain from any actions that may cause dissatisfaction or distrust among business partners, customers or the society.

Protection of confidential information

The Group warrants the retention of confidential information about its employees.

Before starting work in the Group, each employee is informed that any information about the Group that has not been disclosed or revealed to the general public is considered confidential and non-public. Each employee of the Group has a duty to ensure that such confidential and non-public information is reliably protected. Employees must not share such information with any third parties (i.e. non-Group employees), including their family members or friends. Confidential and non-public information may be shared within the Group only with colleagues who need to know such information for the performance of their functions and only to the extent necessary for this purpose.

Documents containing confidential and non-public information, any personal data (both about Group's employees and any third parties) must be stored or destroyed in compliance with the requirements for keeping and destroying documents.

Considering that the Company's shares are publicly traded on stock exchanges, all employees of the Group must know that trading in shares of the Company by using non-public information or provision of such information to others is unlawful, and that may incur administrative or criminal liability for such a person.

The obligation to protect confidential and non-public information survives termination of employment relations with the Group.

Alcohol and other psychotropic substances

In order to ensure the safety of the employees and the quality of the work carried out, the Group does not tolerate consumption of alcohol or other psychotropic substances, illegal storage, disposal, distribution or manufacturing of such substances in the workplace. Workers are also prohibited from appearing to work when intoxicated.

Employees who do not comply with this ethical principle shall be warned and may be dismissed.

Conflicts of interest

When starting work in the Group, each employee must inform whether he/she is engaged in or intends to engage in activities which may give rise to a conflict of interest. In all business relations, employees must act impartially, not provide unauthorised benefits to other business entities, not engage in situations that cause or could potentially cause a conflict of interest with the Group's interests and have a negative impact on the freedom of their own actions or decisions related to their job functions.

In the event of a change in circumstances, employees shall inform their immediate superior.



Work measures

We adhere to the principle that all work measures provided to employees must be used only for the performance of work functions and not for the pursuit of personal purposes. When using the software provided by the Company, employees must not process, send, store or distribute information that is unlawful, violates copyright laws, offensive or inappropriate on any other grounds. Employees use the e-mail provided by the Company for business purposes only and do not use it for personal communication.

Responsible persons must ensure that all computer programs used by the Group are legal and acquired legally.

Each employee undertakes to return to the employer, upon leaving the work, all work measures which have been provided to him.

Business and financial documents

All documents of the Group are prepared in compliance with requirements of legal acts and in accordance with a good business practice.

The Group does not tolerate falsification of documents. Each employee must ensure that the documents comply with the applicable requirements, are collected and stored in an orderly manner. The accuracy, completeness and compliance of documents with legal acts shall be the responsibility of each employee.

The documents are part of the Group's assets, so every employee must treat them with the same responsibility as all other work measures.

Presentation of the Group

It is very important for each employee to be fully aware of the Group's purposes, vision and mission, and to follow the Group's values in their professional activities every day.

Employees should avoid talking in public about the Group's activities that are not related to their direct competences. The enquiries of the mass media must be directed to the Group's employees responsible for communicating with these persons. When speaking on important issues, the position must be coordinated with the Company's managers.

It is important to avoid speaking on behalf of the Group if it expresses personal opinion, attitude. This principle also applies to speaking in the social media and on the Internet.

ENVIRONMENTAL CONSERVATION

The Group's business model is directly linked to environmental impact and therefore special attention is paid to this area. Our main purpose is to minimize the negative impact on the environment.

We can do this by making production more efficient in a way that uses as little water and energy resources as possible, saves land resources and uses as little environmental technology as possible. The Group shall



carry out its daily activities in accordance with the requirements of all environmental laws and shall have all necessary operating permits. Considering that the Group is developing an organic business model, we are setting high standards for ourselves in the field of environmental protection.

We constantly improve our product packaging by looking for the least environmentally damaging materials and technologies.

This process requires the involvement of all Group's employees, as every step, even the smallest step, is important. We are responsible to nature and to ourselves.

FAIR CONDUCT IN THE SOCIETY

The Group has to maintain daily contact with clients, partners, state authorities, non-governmental organizations, shareholders, and local community on various issues.

Favourable and professional relations with these organizations and individuals are very important for us in shaping the Group's reputation and maintaining smooth implementation of purposes. Relations shall be professional and fully transparent.

Relationships with clients

Relationships with clients is the most important matter for us. We work and endeavour precisely for them, so we seek to maintain impeccable professional relationships with our clients.

We need to get to know our clients and understand their needs, so we can offer the best products. We always consider clients' requests and comments.

We seek to associate the Group's name with the impeccable quality of products, so that the people who consume them can rest assured of their safety. In this area, our standards are far higher than those provided for by laws.

Relationships with competitors

We respect all stakeholders in our business, including our competitors. We maintain such relations with them as we would like them to maintain with us.

We understand that competition is one of the most important factors promoting business efficiency.

In our activities, we apply only methods consistent with the principles of fair and ethical competition, and we do not violate the provisions of competition laws. Being market leaders, we need to demonstrate the highest level of competition practice.

Each employee must ensure that they do not disclose any confidential inside information of the Group to competitors. The most sensitive confidential information includes pricing, costs, investment plans, marketing strategy, supply chain, etc.



Outside the workplace, speaking about confidential information should be avoided. Business partners must also ensure that they respect the principle of confidentiality and do not disclose important information to competitors, nor use it for negotiation purposes.

Relationships with business partners

We are constantly expanding our range of partners both in Lithuania and abroad. We endeavour to strengthen the relationships. We prefer sustainable, long-term cooperation, as well as such partners whose understanding of business ethics does not conflict with our principles.

We strictly comply with our obligations and we always demand the same from our partners. We protect confidential information from our partners. We have a clear understanding that disclosure of confidential information can harm both our and our partners' interests.

Search of partners is an open-ended process, so we are open to new opportunities for cooperation.

Relationships with representatives of governing bodies and State authorities

We always comply with the laws and provide all the necessary information to the State authorities and respond to comments. We apply extremely strict and high standards of transparency in our dealings with representatives of governing bodies and State authorities.

Prevention of corruption, gifts and bribes

We do not give or accept gifts that are provided for any benefit. We do not have any unlawful and unethical relationships nor with the State authorities, nor with business or public partners.

Do not take part in political activities

Any type of corruption is unacceptable to us and goes beyond our approach to business. No activity with manifestations of corruption may be carried out either on behalf of the Group or on the initiative of individual employees.

When faced with situations posing a threat of corruption, employees shall immediately inform the general manager of the Company and he / she – anti-corruption State authorities.

Support and charity are provided only within the limits of our socially responsible activities.

Relations with community

Group's companies operate in almost all regions of the country, mainly rural areas, so maintaining and strengthening relations with local communities is crucial to us.

As part of our business development, we need to cooperate with community members, maintain dialogue and consider their comments.

It should not be forgotten that community members are employees of our companies, so we must protect our reputation and increase our attractiveness in the labour market.



Relationships with shareholders

Creating value for shareholders is one of the main business purposes. We value investors' trust and we are interested in the growth in the value of shares.

We regularly share with the shareholders detailed and clear information about material events and the financial situation.

The Company publishes detailed, clear and accurate financial statements and provides explanations of major changes.

Fair tax payment

We comply with all applicable tax laws and seek to ensure that obligations to the State are performed in a transparent, responsible and timely manner.

The Group does not use tax avoidance schemes, nor does it work with partners who use such schemes in their activities.

Inside trading

The Company's shares are traded on Vilnius and Warsaw Stock Exchanges therefore we must comply with all the rules that apply to confidential information that may determine the share price.

Persons entitled to know inside information shall undertake to ensure its confidentiality. As well as persons who dispose of inside information shall not, in accordance with the law, trade in securities using this information, nor shall they advise other persons to engage in trading using inside information.

Communication

We are in constant contact with the media, answering questions from the mass media, but we do not make public any essential information about the Group's activities without first announcing it through the exchange information system.

Only the Company's managers comment on the Group's financial achievements and other major events.

IMPLEMENTATION OF PRINCIPLES

The Code shall be made publicly available on Company's website so that each employee, business partner, service provider, consultant of Group and other third parties with whom the representatives of the Group deal and the person acting on their behalf, could get familiar and comply with.

The manager of each structural division and subsidiary of the Group are responsible for familiarizing employees subordinated to them and accountable persons with the Code.

The Company provides the possibility to report breaches of the Code and obtain the relevant information regarding its enforcement by sending an e-mail to a mailbox created for this purpose: etika@auga.lt. The Company shall take all measures to protect employees reporting breaches of the Code from any negative consequences: only the manager of the Human resources department of the Company, who undertakes



not to disclose to other employees or third parties the identity of the employees who have reported, has access to the specified mailbox.

All reports of potential violations must be properly investigated by individuals appointed by the manager of the Human resources department of the Company. Disciplinary action shall be taken immediately if any non-compliance with the provisions of the Code is detected, including temporary suspension from ongoing duties or termination of employment or termination of contract with a third party.

FINAL PROVISIONS

This Code of Business Ethics shall be approved and, where needed, amended by the Board of the Company.