



## EQUAL OPPORTUNITIES POLICY OF VILVI GROUP AND ITS IMPLEMENTATION PROCEDURE

### CHAPTER I INTRODUCTION

1. The Equal Opportunities Policy (hereinafter - the Policy) and its implementation procedure (hereinafter - the Procedure) of the Vilvi Group group of companies (hereinafter - the Group) determine the principles of equal opportunities in the Group and the conditions and procedure for their implementation and monitoring at work. The policy was adopted in accordance with the requirements of Article 26 of the Labor Code of the Republic of Lithuania, and in accordance with the Law on Equal Opportunities of the Republic of Lithuania, and the Law on Equal Opportunities for Women and Men of the Republic of Lithuania.
2. This Procedure applies to all companies of the Group: Vilkyškių pieninė JSC, Modest JSC, Kelmės pienas PJSC, Kelmės pienė JSC, Pieno logistika JSC, SIA Baltic Dairy Board.
3. The Group acknowledges and confirms that direct and indirect discrimination, harassment, sexual harassment, and instruction to discriminate on the basis of gender, race, nationality, language, origin, social status, age, sexual orientation, disability, ethnicity, membership in a political party or association, religion, faith, beliefs or views, intention to have a child(ren), as well as on other grounds not related to the occupational characteristics of the employees, are prohibited in the Group
4. This Procedure is binding on all employees of the Group.

### CHAPTER II DEFINITIONS

5. **Discrimination** - direct and indirect discrimination, harassment, instruction to discriminate on the basis of gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, and religion.
6. Equal opportunities - the implementation of human rights enshrined in international human and citizen rights documents and the laws of the Republic of Lithuania regardless of gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, or religion.
7. Indirect discrimination - an action or inaction, a legal norm or evaluation criterion, an apparently neutral condition or practice, which are formally the same, but when they are implemented or applied, there is or may be an actual limitation of the exercise of rights or the provision of privileges, preference or advantage based on gender, race, nationality, on the basis of language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, religion, unless this action or inaction, norm of law or evaluation criteria, condition or practice is justified by a legitimate purpose, and this purpose is pursued by appropriate and necessary means.
8. Harassment - unwanted behavior, when there is the aim is to insult or offend the person's dignity or it is actually offended, as well as to create an intimidating, hostile, degrading or abusive environment or these are created on the basis of gender, race, nationality, language, origin, social status, faith, beliefs or opinions, age, sexual orientation, disability, ethnic affiliation, or religion.
9. Social status - the education, qualification or learning and studies acquired by a natural person in institutions belonging to the science and studies' system, property in possession, income, the need for state support established in the legislation and/or other factors related to the financial (economic) situation of the person.
10. Direct discrimination - treatment of a person when less favorable conditions are applied to him than in similar circumstances, was or would be applied to another person on the basis

of gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, or religion, except for:

- 10.1. age restrictions established by law; when justified by a legitimate purpose, and this purpose is achieved by appropriate and necessary means;
- 10.2. the statutory requirement to understand the state language;
- 10.3. the prohibition of participation in political activities in cases established by law;
- 10.4. different rights established by law due to citizenship;
- 10.5. special measures established by law in the field of health protection, occupational safety, employment, and labor market, in order to create and apply conditions and opportunities that guarantee and promote integration into the work environment;
- 10.6. special temporary measures established by law, applied in order to ensure equality and prevent the violation of equal opportunities on the basis of gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, and religion;
- 10.7. when due to the nature of specific types of professional activities or due to the conditions of their performance, a certain human characteristic is an essential and decisive professional requirement, and this purpose is legal and the requirement is proportionate;
- 10.8. when the legal regulation of restrictions, special requirements or certain conditions due to a person's social status is justified by a legitimate goal, and this goal is pursued by appropriate and necessary means.

### **CHAPTER III GENERAL PROVISIONS**

11. All employees are given equal opportunities during work. Hiring and the hiring process are determined solely on the basis of a person's occupational characteristics and criteria related to work in the relevant position. In all cases, the main focus is on the ability to do the job well.
12. The Group organizes work in such a way that all groups of society are represented in the pool of employees of its companies, and every employee feels respected and can fully use his abilities.
13. When organizing its activities, the Group creates an environment in which the individual differences and contributions of all its employees are recognized and valued. Every employee has the right to work in an environment that promotes respect for the dignity of every person.
14. All employees are provided with opportunities to learn, develop their skills, and pursue professional advancement.
15. The Group organizes its activities in such a way that all employees are guaranteed equal working conditions, opportunities to improve their qualifications, seek professional training, retrain, gain practical work experience, and also provide equal benefits regardless of employees' gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, or religion.
16. All employees must comply with this policy to ensure equal opportunities and prevent discrimination. Employees must not discriminate against, harass, bully or intimidate other employees because of their sex, race, nationality, language, origin, social status, faith, beliefs or opinions, age, sexual orientation, disability, ethnicity, or religion, and they must not harass them or take other measures against such employees who make unfounded allegations.
17. The Group takes measures and ensures that conditions are created for disabled people to get a job, work, pursue a career or study, if such measures do not disproportionately burden the responsibilities of the Group.

### **CHAPTER IV**



## **HIRING OF NEW EMPLOYEES AND DISMISSAL OF EXISTING EMPLOYEES**

18. The Group embraces diversity in its workforce and strives to ensure that all applicants for employment are treated fairly and are hired only on the basis of their abilities and qualifications.
19. At the time of recruitment, only the most suitable employees for the respective positions should be selected, taking into account their experience and qualifications.
20. The process of selection of new employees is carried out systematically for all job offers at all levels.
21. The Group's job advertisements are published on online job advertisement portals. Vacancy advertisements are designed in such a way that they do not provide an opportunity to participate in the competition for a vacant job only for candidates of a certain gender, race, nationality, language, origin, social status, religion, belief or opinion, age, sexual orientation, disability, ethnic affiliation, or religion.
22. The selection of new employees of the Group is based on job vacancies, suitability and ability to perform the job, and information received from candidates will be linked only to qualifications related to the requirements of the job.
23. Employees responsible for candidate selection, job interviews and their appointment are clearly informed about the selection criteria and the requirement to implement the equal opportunities policy. If possible, at least two employees of the Group participate in the interview with the candidate.
24. All questions asked to candidates for vacancies are related to the selection criteria. Group employees participating in the interview may not ask any questions about the candidate's gender, age, sexual orientation, social status, ability, race or ethnicity, religion, beliefs or faith, make assumptions about the candidate's role at home and in the family, as far as this is not directly related to the applying of the guarantees provided for in the Labor Code to the employee.
25. When making a decision on the dismissal of an employee, the dismissal criteria must be applied equally to all employees, regardless of gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, or religion.

## **CHAPTER V EMPLOYEE EDUCATION**

26. The Group, taking into account strategic objectives and financial possibilities, will:
  - 26.1. Acquaint employees with valid legislation and its application in the field of equal opportunities;
  - 26.2. Help managers and employees to behave in such a way as to avoid violations of equal opportunities policy and legislation, as well as provide knowledge in the field of conflict resolution;
  - 26.3. Acquaint employees with the direct and indirect nature and conditions of discrimination, its harmfulness and when it can occur, and how it can be avoided.

## **VI CHAPTER DETERMINATION AND INCREASE OF SALARY**

27. The Group must have the System of Payment for Labor approved.
28. When determining wages for specific employees in the Group, exclusively objective criteria, related to the employee's qualification, the degree of responsibility of the employee, the nature of the work performed, the results achieved and other objective criteria that are established in a separate document, are considered. When determining wages, it is prohibited to take into account employee's gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, or religion.

29. Employees must be paid the same wages for the same or equivalent work regardless of employee's sex, age, sexual orientation, social status, disability, race or ethnicity, religion, beliefs, or faith. The same work means the performance of a work activity that, according to objective criteria, is the same or similar to another work activity to the extent that both employees can be interchanged without greater costs to the employer. Equivalent work means that, according to objective criteria, it is no less qualified and no less significant for the employer in achieving its operational goals than other comparable work.
30. The criteria used in the selection of candidates for promotion are exclusively related to the abilities and quality of the work performed and personal achievements in the professional field, and no employee can be and is not discriminated against because of gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, or religion.
31. Annual or other period evaluations of employees' work results are conducted in accordance with and applying the same criteria to all employees, regardless of employees' gender, race, nationality, language, origin, social status, faith, beliefs or views, age, sexual orientation, disability, ethnicity, religion or other circumstances that are not related to the employee's profession, performance of work duties, professional achievements, or personal work results.

## **CHAPTER VII PROTECTION OF EMPLOYEES**

32. The Group takes measures to ensure that the employee is not subjected to harassment, sexual harassment and instructions to discriminate in the workplace, as well as not to be harassed and protected from hostile behavior or negative consequences if he/she files a complaint about discrimination or participates in a discrimination case.
33. All employees of the Group and candidates for vacant positions who believe that their equal opportunities are being violated or that they are being discriminated against, have the right to contact the head of the Group's company and indicate the person who is possibly violating the employee's rights or discriminating against him.
34. The Group, upon receiving a complaint from an employee or a candidate for a vacant position regarding a violation of equal opportunities or discrimination, undertakes to immediately take steps to investigate such a complaint or forward it to the Office of the Equal Opportunities Controller or another competent institution for investigation. Information about such a complaint is considered confidential and may not be disclosed to persons not involved in the alleged violation or its investigation.
35. During the investigation of a possible violation, the Group cooperates with the investigating authorities, provides all available information that is significant for the investigation of the possible violation.
36. Any harassment or hostile behavior against an employee or a candidate for a vacant job who filed a complaint about discrimination or other violation of his equal opportunities is prohibited and is considered a violation of work duties, for which liability provided for in the Labor Code of the Republic of Lithuania may be applied.

## **CHAPTER VIII PRINCIPLES AND MEASURES OF IMPLEMENTATION OF EQUAL OPPORTUNITIES**

37. During the Group's employment relations with employees, the following measures will be taken to implement equal opportunities:
  - 37.1. when hiring employees, the same selection criteria and conditions will be applied;
  - 37.2. employees will be provided with equal working conditions, opportunities to improve their qualifications, seek professional development, retrain, and gain practical work experience. Equal benefits will be provided as well;

- 37.3. during the employment relationship, the same job evaluation criteria and the same dismissal criteria will be used;
  - 37.4. equal wages will be paid for the same work of equal value;
  - 37.5. if disabled people work in the Group, measures will be taken to allow disabled people to work, pursue a career, or study;
  - 37.6. employees will be familiarised with legislation establishing equal opportunities and the right not to be discriminated against.
  - 37.7. The principle of equal opportunities can be deviated from only in cases established by legislation (positive discrimination).
38. In the event that it turns out that the measures for the implementation of equal opportunities specified in this Policy are not sufficient, the Group will consider the implementation of additional measures.

## **CHAPTER IX**

### **MONITORING OF THE PRINCIPLE OF EQUAL OPPORTUNITIES**

- 39. The Group will regularly monitor the state of implementation of the principle of equal opportunities in the company. The HR manager will be responsible for regular monitoring of compliance with the principle of equal opportunities.
- 40. Once a year, the Group will ask the active labor council (if the Labor Council is elected and functioning in the Group company) or the HR manager to provide data on the state of implementation of the principle of equal opportunities in the Group. After receiving information from the Labor Council or HR manager about the state of implementation of the principle of equal opportunities, the Group can take measures to improve this state;
- 41. The Group, upon receiving information about non-compliance with the principle of equal opportunities, will immediately, but no later than within 15 working days from the moment of learning about violations, take steps to eliminate such violations.
- 42. Employees or candidates for a vacant position who believe that their equal opportunities are being violated have the right to apply in writing to the head of the Group's company, the head of HR, or submit a report through the Group's Hotline or Notification Channel (on the Group's website), or apply to another competent authority to have their situation investigated. The Group undertakes to investigate such requests of employees or candidates for a vacant position no later than within 15 working days from the date of receipt of the request, or forwards the complaint to the Office of the Equal Opportunities Controller or another competent authority for examination.
- 43. Employees or candidates for a vacant position, who believe that their equal opportunities have been violated, have the right to apply to the Equal Opportunities Controller in accordance with the procedure established by the Law on Equal Opportunities of the Republic of Lithuania, regardless of whether the head of the Group's company or HR manager was contacted. Applying to the equal opportunities controller does not limit the opportunity to defend your rights in court in accordance with the procedure established by legislation.

## **CHAPTER X**

### **EMPLOYEES' LIABILITY**

- 44. If any employee of the Group commits discriminatory actions or such actions that violate the equal opportunities of other persons, such an employee may be subject to the liability provided for in the Labor Code of the Republic of Lithuania.

## **CHAPTER XI**

### **FINAL PROVISIONS**

45. This procedure is reviewed and, if necessary, updated at least once a year or when there are changes to the mandatory legislation in the regulatory area of this policy.
46. Employees are familiarized with this policy by signing or by another method of familiarization commonly used in the Group and must comply with the obligations set forth in it and follow the principles set forth in this policy when performing their work functions.
47. The Group reserves the right to change this policy in whole or in part. Employees and other responsible persons are notified of the changes under signature or by another method of familiarization usually applied in the Group.

---

*Approved in companies of Vilvi Group  
by orders of company managers of in 04 July 2018.*