

APPROVED
by the decision of the Board of
Lietuvos Energija, UAB dated
May 22, 2014 (Minutes of the
Meeting No. 26)

LIETUVOS ENERGIJA GROUP EMPLOYEE SAFETY AND HEALTH POLICY

Objective: To define general provisions and principles for ensuring the safety and health of Lietuvos Energija Group employees and basic guidelines for implementation thereof.

Application scope: To be applied to Lietuvos Energija Group companies.

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1. Concepts and abbreviations used in this Policy

1.1. Concepts and/or abbreviations in this Policy shall have the following meanings:

ESH	Employee Safety and Health
Policy (ESH Policy)	This Lietuvos Energija Group Employee Safety and Health Policy
Lietuvos Energija (LE)	Lietuvos energija, UAB (legal entity code 301844044, registered office address: Žvejų g. 14, LT-09310 Vilnius, Lietuvos Respublika – Republic of Lithuania).
Group of Companies	Lietuvos Energija and legal entities directly or indirectly controlled by it.
Company	A company of the Company Group to which this Policy is applied.
Organizational Culture	The totality of beliefs, traditions, symbols, views, attitudes and behavior which is common to the organization's employees and which each employee demonstrates both in communication and in work, which defines the organization's view of itself and of its environment and which distinguishes it from other organizations.

ESH Management	A set of documentation which governs the ESH in the Company.
ESH Process Facilitator	An employee of the Group of Companies who facilitates relevant activities, group of processes or a process at Group level. Functional responsibilities are defined in more detail in the Governance and Control Policy and attachments thereto.

2. General provisions

- 2.1. The Group of Companies aims to achieve sustainable increase of the value of the Group's power industry companies through the creation of a new organizational culture.
- 2.2. People are considered to be the Group's most valuable asset, therefore a safe working environment becomes an inseparable part of the Companies' core activities.
- 2.3. The Employee Safety and Health Policy is designated for the creation in the Companies of a Safety Culture which is based on personal responsibility and cooperation.
- 2.4. Safety Culture is understood to be an integral part of the Organizational Culture and it is distinguished by the following features:
 - 2.4.1. Safety is considered to be a value by the employees;
 - 2.4.2. Employees take responsibility not only for their own safety, but for the safety of their colleagues as well;
 - 2.4.3. Employee actions are driven by the sense of responsibility, not by their obligations.

3. Principles of the Employee Safety and Health Policy

Employees of the Group of Companies are guided by the following key principles of Safety Culture:

3.1. Compliance

- 3.1.1. To ensure employee safety and health, an ESH Management System must be established in the Companies in compliance with the primary and secondary legislation of the Republic of Lithuania and international requirements;
- 3.1.2. Companies must evaluate employee safety and health risks and take preventive actions and measures;
- 3.1.3. The place of ESH Policy in the Company's documentation, governing employee safety and health, is shown in Figure 1.

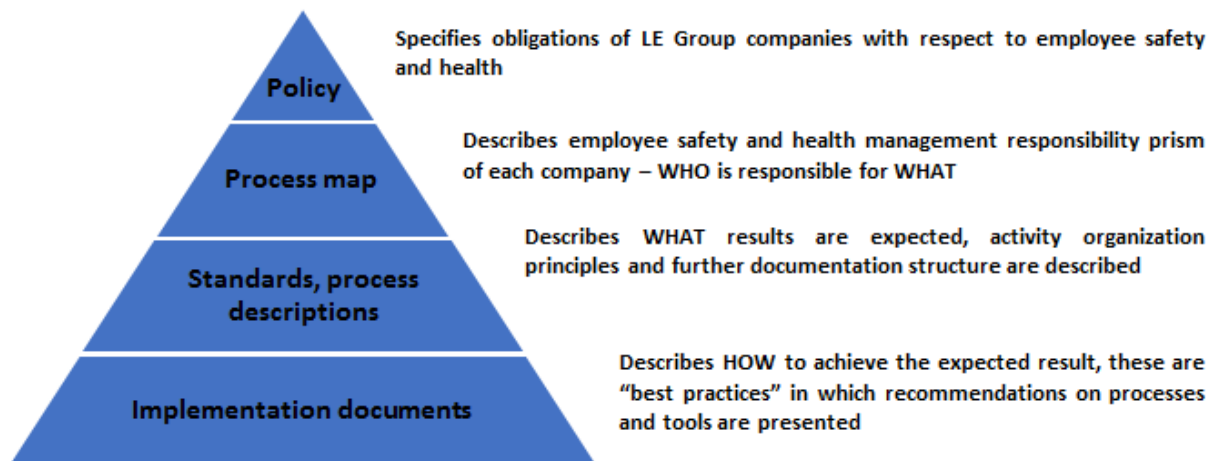


Fig. 1 Position of ESH Policy in the company's documentation which governs employee safety and health

3.2. Active Leadership

3.2.1. Top level managers are responsible for a safe and healthy work environment. They know the exact nature of the risk factors arising in the Organization, they are monitoring the employee safety and health situation, they demonstrate safe behavior by their own example.

3.2.2. It is the task of every manager to collaborate in the creation of the Safety Culture using the principles of this Policy, to make sure that it is clear, that it is communicated to all employees of the Company and that it serves as guidance in daily activities.

3.3. Employee engagement

3.3.1. All employees, who are committed to safety as a value, observe the current internal Company rules and regulations and actively participate in their improvement and implementation.

3.3.2. Managers are responsible for an ongoing dialog with the employees and for the timely adoption of decisions required for the implementation of qualitative changes.

3.4. Employees are informed, trained and consulted on a continuous basis

3.4.1. The Safety Culture is created with the help of employees, their representatives and contractors by continuous improvement of the existing ESH Management System.

3.4.2. Companies regularly consult, instruct and train their employees, and develop safe behavior through training, because employee behavior is considered to be the main factor for accident prevention.

3.4.3. Companies regularly communicate the ESH Management System status to all employees;

3.4.4. Organizations encourage contractors, suppliers and public training.

3.5. Continuous evaluation and improvement of the ESH Management System

3.5.1. Employee safety and health condition improvement, its monitoring, and reporting are mandatory measures. Company management receives accurate data on the accidents, which allows it to regularly review the employee safety and health activities as part of its continuous improvement of the Safety Culture.

3.5.2. The ESH Management System implementation tools and control mechanisms are continuously improved on the basis of analysis and evaluation results, with each incident considered to be a lesson and a reason for the initiation of change.

3.6. Reliable contractors and business partners

3.6.1. Contractors must comply with all employee safety and health requirements established by legislative acts.

3.6.2. Companies supervise the activities of the contractors, ensuring that people working at the facilities are properly trained and possess the required information, equipment and tools for the safe performance of their tasks.

4. Implementation of the Employee Safety and Health Policy

4.1. Third party relationships

The Group of Companies aims to be a reliable partner for its contractors, suppliers and business partners. Communicating with contractors and suppliers, it is necessary to be guided by the responsibility and collaboration principles, therefore it is recommended to acquaint their responsible persons with this Policy.

4.2. Communications

4.2.1. All Companies must implement a box for proposals and requests, both in a physical and in an electronic format, and communicate the possibility of presenting proposals, observations, and recommendations on the employee safety and health issues both within the Company and to its partners and contractors.

4.2.2. Employees are acquainted with the ESH Policy by internal communication means.

4.2.3. Each employee receives a copy of the ESH Policy (can be electronic).

4.2.4. The ESH Policy is open to the public and is freely available on the www.le.lt website and on each Company's website individually.

5. Final provisions

5.1. All employees of the Group of Companies must make a commitment to comply with the provisions of the ESH Policy.

5.2. All existing and newly hired employees must acknowledge that they have been acquainted with the ESH Policy and will comply with its provisions.

5.3. Company heads or persons authorized by them are responsible for the ESH Policy communication and implementation.

5.4. Companies present quarterly reports on the ESH Management System status and the ESH Policy implementation to the ESH Process Facilitator.

5.5. The ESH Process Facilitator performs the ESH Policy implementation supervision and monitoring and submits quarterly reports to Lietuvos Energija's CEO.

5.6. The Policy, supplements and amendments thereto are approved by the Board of Lietuvos Energija.