### UAB ŠVYTURYS - UTENOS ALUS

Part of the Carlsberg Group

# Social Responsibility Report

Company name: JSC "Švyturys-Utenos alus"

SUSI

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Country: Lithuania Sector: production and sales of beer, cider, soft drinks, alcoholic drinks and cocktails

The report is presented for the year 2014.

# Content





## MESSAGE FROM THE CEO

It has been for the seventh time already that JSC "Švyturys-Utenos alus" presents its social responsibility actions report for the public consideration as well as to the United Nations Global Compact organization.

We are seeking to be the leading company not only in the beverage industry, but also with regard to social responsibility. We also want to be an example to other Lithuanian companies, demonstrating that social responsibility and profitable business can be perfectly compatible.

The environment in which it operates has always been important for JSC "Švyturys-Utenos alus". We pay the utmost of our attention towards the ecological solutions not only within our working environment at the breweries, but also taking care of nature and environment of our communities. For example, we contributed to the Curonian Spit forest conservation, after its devastation and ravage caused by fire. This way we not only keep financing the social projects, but also make them kind of an internal culture, at the same time encouraging all staff of the company to get involved into this.

We also support young talents of our country, a variety of cultural and social initiatives. We are glad to support the strongest Lithuanian basketball team – "Žalgiris" and also basketball teams "Juventus" and "Neptunas" – from the cities which are important to us – Utena and Klaipėda, the country's national basketball team too.

The social report of JSC "Švyturys-Utenos alus" has been prepared in accordance with the global agreement principles of the United Nations "Global Compact" organization, while the principles covering the protection of human rights , improvement of employee relations, environmental sustainability and the fight against corruption.

Rolandas Viršilas General Manager of JSC "Švyturys-Utenos alus"

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# ABOUT JSC "ŠVYTURYS-UTENOS ALUS"



The main shareholder of JSC "Švyturys-Utenos alus" is the Danish company "Carlsberg", which acquired the major part of the leading Lithuanian breweries' shares in 1999. "Carlsberg" has shared its outstanding long term experience, upgraded the company, increased production capacity, raising the skills of the staff, invested into quality improvement of the product.

Sales volume of Lithuania's beverage industry leader "Švyturys-Utenos alus" as of the year 2014 was 185.06 million litres of beer and this made 6.8 % more than in 2013. The company's turnover amounted to 142.01 million. EUR and was 4 % higher compared to 2013. The company remains the strongest amongst beer and cider categories in Lithuania.

In 2014 JSC "Švyturys-Utenos alus" paid special attention towards biggest brands – "Švyturys" and "Utena" beer. The "Švyturys" image has been reinforced, its main features have been identified, the "Utena" beer brand positioning has been renewed. The "Brick by Brick" project attracted special attention and had great success, showing the development of the *craft* beer culture in Lithuania. In 2014 "Švyturys" Brewery said its 230 - year anniversary. For this occasion "J.W. Reincke" – the special beer dedicated to the founder of the brewery – was produced.

### Production volumes of JSC "Švyturys-Utenos alus"

Year	Production of beer and other beverages (mln. litres)	
2013	173,34	
2014	185,06	

# JSC "ŠVYTURYS-UTENOS ALUS" BUSINESS PHYLOSOPHY

### **Mission**

Provide people with the opportunity to enjoy the best drinks.

### Vision

Be Lithuanian beverage market leader with the strongest brands, representing Lithuania in the world with the maximum use of the distributional network and ensuring the highest level of management.

"Švyturys-Utenos alus" - a step ahead while satisfying the needs of customers and consumers, using modern technologies and introducing innovations to the market. "Švyturys-Utenos alus" - a desirabler employer and most reliable business partner.

### Values

- We focus on customers
- We are stronger together
- We have the power of creating changes
- We are socially responsible
- We have great passion to win

## JSC "ŠVYTURYS-UTENOS ALUS" SOCIAL RESPONSIBILITY POLICY

JSC "Švyturys-Utenos Alus", in accordance with "Carlsberg's" corporate responsibility principles, carries out its activities in a responsible manner and towards the community, employees, partners and other subjects and persons of concern, adheres to high standards of fairness, decency and safe working conditions.

This report is based on 10 principles of the Global Settlement, the Global Reporting and "Carlsberg" Group guidelines.

### Ten principles of the Global Settlement:

Principle 1:	Businesses should support and respect international human rights protection within their sphere of influence;
Principle 2:	The aim is to ensure that businesses are not complicit in human rights abuses;
Principle 3:	Businesses should uphold the freedom of associations and ensure the recognition of the right to the effective collective bargaining;
Principle 4:	The aim is to eliminate any of forced and compulsory work;
Principle 5:	The aim is to eliminate child work;
Principle 6:	The aim is to eliminate discrimination, related to employment and profession;
Principle 7:	Businesses should support the prevention programmes, ensuring environment protection;
Principle 8:	Businesses should take initiatives to promote greater environmental responsibility;
Principle 9:	Businesses should promote the environment - friendly technology development and pervasion;
Principle 10:	Businesses should work against corruption in all its forms (including against extortion and bribery).

[http://www.unglobalcompact.org/aboutTheGC/TheTenPrinciples/index.html]



# SOCIAL RESPONSIBILITY AND ITS RELATION TO SOCIETY

Social responsibility issue to JSC "Švyturys-Utenos alus" means the important ongoing company policy, which is planned strategically, taking into consideration opinions of various communities and subjects or persons of concern.

Klaipeda and Utena breweries are open to the public and the modern educational brewing centre is operating in Utena. In 2014 during the educational program "Transparent quality" the centre was visited by over 8 thousand of visitors.

Since 2013 JSC "Švyturys-Utenos alus" has been arranging its activities in accordance with its developed model of social organization of business and that is the model "L3": the company purchases most of the raw materials, goods and services from Lithuanian suppliers, thereby contributing to the country's long-term sustainable economy growth. Implementation of business model "L3" allows maximum use of the Lithuanian economy resources, promoting the investment in local communities, creating jobs and stimulating sustainable development, reducing the impact on the environment.

## **Products and Quality**

"Švyturys-Utenos alus" is very much concerned about the product quality consistently invests in the production and manufacturing processes.

During 2014 "Utena" brewery continued investment in the quality of beer (brewery meets the ISO - 9001 quality standards) and presentation standards. They allowed the brewery significantly expand part of the beer produced for export. In 2014 "Švyturys-Utenos alus" products were awarded the most prestigious European taste and quality prize of "iTQi Superior Taste Award". Connoisseurs jury "Utena Classic", "Švyturio Extra" and "Švyturio Baltas" has given the beer the highest three-star-rating. Traditional collection beer types such as "Baltija" and "Old Port Ale" produced at "Švyturys" brewery have also won the awards at the ceremony.

In 2014 "Švyturio Extra" beer earned worldwide recognition. This beer was the recipient of gold medal in *Lager* category during "World Beer Awards" and recognised as the best *Dortmunder* style beer in Europe.

The company is open to customers – if having noticed any irregularities about the products consumers may report it on the free quality line.

### **Consumer related issues**

In 2014 "Švyturys-Utenos alus" advertising was further developed in accordance with self-regulated honour code of the Lithuanian Brewers Guild. Based on the principles of responsibility, advertisements did not appear showing people who are younger than 25, non-alcoholic beer and cider ads have appeared no earlier than at 10 p.m. Prior to presenting the advertising to be produced, the preventive consultations were received from Drug, Tobacco and Alcohol Control Department (*Lith. Abbrev.* NTAKD)

In 2014 "Švyturys-Utenos alus" together with Lithuanian Brewers Guild initiated the social responsibility campaign "Drunk Driver - Respond or Ignore?". During this social experiment two tests were carried out: public



opinion polling and unique study right in the street. The study recorded public reaction to a drunk driver (actor) trying to get into his car. An experiment showed that public opinion does not correspond with reality though. Although the majority of survey participants advocate that they would duly respond to a drunk driver, but the real situation showed that many people just ignored the drunk driver: from 323 people actively participating in the experiment, only 16 percent responded actively. The results showed that the public is indifferent and there is a lack of awareness. Therefore, this social experiment aimed at drawing public attention and promoting a responsible approach to drunk - driving.

In accordance with the Code of Honour of Lithuanian Brewers all "Švyturys-Utenos alus" web sites have the installed preventive security measures against under-age.

### Sponsorship. 2014

In 2014 the utmost attention of JSC "Švyturys-Utenos alus" went to the communities of Utena and Klaipėda. Total amount that the company allocated to support various Lithuanian organisations, the ongoing initiatives and projects in 2014, made 598 934 EUR.

## JSC "Švyturys-Utenos alus" sponsorship:

#### Klaipėda:

- Anniversary of the Sea Festival;
- The Lighthouses Day;
- The elections of Woman Klaipėda Citizen and Man – Klaipėda Citizen of the Year;
- "Švyturys" Midsummer Night Regatta;
- Events of the association "Klaipėda Jazz Festival": "Klaipėda Castle Jazz Festival" and "Young Jazz Wave";
- Lithuanian Musicians Support Fund Grants;

- Basketball Club "Neptūnas";
- Klaipėda City Ball Dances Band "Žuvėdra";
- Klaipėda Football Team "Atlantas".

#### Utena:

- Utena City Festival;
- Basketball Club "Juventus";
- Utena Basketball Club "Aukštaitis";
- Other

## The company distinguishes the sponsorship into three parts:

- Communities;
- Culture;
- Sport;
- Environment protection.

### **Community investments**

In 2014 the utmost attention was paid towards the Klaipėda and Utena communities social and cultural projects.

In Klaipėda "Švyturys Klaipėda Fund of Origin" has been proceeding in its activities. The support to Klaipeda has been growing for three consecutive years: in 2012 the seaport town was supported by EUR 195 000, in 2013 the support amounted to EUR 206 000. The support to Klaipėda in 2014 increased by 12 percent and amounted to EUR 231 000.

Last year "Švyturys" brewery celebrated its 230-th Anniversary and invited everybody to commemorate the International Brewers Day for the first time in Lithuania. The free "Švyturys" staff guided brewery tours were attended by nearly 1 500 beer lovers, the festival attracted more than 5 500 people. The event is intended to be made the annual tradition of the city, bringing together people not only from the seaport town but also from the other corners of the country. With this initiative "Švyturys-Utenos alus" aims to foster the traditions of the city and promote community spirit and citizens' involvement in the activities carried out.



In 2014 great attention was paid to Utena community too. JSC "Švyturys-Utenos alus" organized the City Festival in which more than 6 thousand members of Utena community participated. Three live sound concerts were arranged during the Festival, also various entertainments, tours in "Utena" brewery. On the eve of the Festival "Utena" brewery was awarded Utena District Badge and the Mayor of Utena gratitude was acknowledged for close cooperation with the Utena District Municipality, regular cultural and sports sponsorship.

### **Cultural sponsorship**

Young talent promotion is especially important to "Švyturys-Utenos alus" company. With regard to this, in 2014 "Švyturys" Klaipėda future scholarship' was established. This is support granted to young Klaipėda citizen for social, cultural, sport related and artistic activity implemented in the city. 2014 scholarship was awarded to the first winner Adele Daunoraviciute, Klaipėda Stasys Šimkus Conservatory and Klaipėda University Art Faculty Graduate, pianist, the winner of various competitions. Funds have been allocated for Lithuanian Musicians Support Fund grants and other activities to support the country's artists too.

### Sport sponsorship

Unforgettable sports related initiatives include the following: in 2014 JSC "Švyturys-Utenos alus" supported the strongest Lithuanian basketball teams and clubs, Lithuanian Olympic movement, other teams and sportsmen.

In 2014 "Utenos alus" started supporting Kaunas basketball club "Žalgiris". "Utenos alus" have become the sponsors of the team "Žalgiris" for the first time in 1998 already and significantly contributed to the fact that Kaunas club won the European Cup in the same year and in 1999 in Munich the team became the Euroleague winner.

For many years the company has been supporting the Lithuanian national men's basketball team. The support was reflected in the Lithuanian men's basketball team victories in golden Stockholm, silver Ljubljana and bronze in Sydney and Istanbul. Company's support for basketball in 15 years reached almost 5.8 million EUR, being a significant contribution not only to victories, but also the rise of club teams in the European tournament participants ranks.

The support is also provided to Vladas Garastas Cup Tournament, the city of amateur basketball league, for football team "Atlantas" and the other sportsmen, glorifying the country.



# SOCIAL RESPONSIBILITY AND WORK ENVIRONMENT

JSC "Švyturys-Utenos alus" cares about the employees and tries to provide each of them with favourable working conditions. The company is considered one of the most desirable employers in the country. In addition, "Švyturys-Utenos alus" for several years actively helps students - offering them to practice, so that after the completion of the studies it would be easier for them to integrate into the labour market. In 2014 fifteen students practiced during the student placement in the company.

# Research on employee opinion

The company's internal labour and environmental climate is measured by the research on employee opinion called "My Voice", which provides the feedback on both the management of the business, estimates made by management, improvement opportunities, work environment and climate and the level of employee engagement into the company's operations.

Research areas- dimensions	Favourable answers % 2014	2014 change in comparison to 2013	
Employee engagement	89%	+3%	
Performance management and chang	e <b>92%</b>	+4%	
Senior management	<b>9</b> 3%	+3%	
Leadership	90%	+3%	
Work and improvemer	nt <b>87%</b>	+4%	

"My Voice" questionnaire of 2014 was filled in by 98% of employees.

The research performed by "Švyturys-Utenos alus" in 2014 revealed that 93% of staff is proud of working here, 95% are satisfied with "Švyturys-Utenos alus" as the company they work for and as much as 90% of employees would recommend the company as a good place to work. The average experience of work in the company makes more than 12 years.

## Equal opportunities for employees

JSC "Švyturys-Utenos alus" continued to successfully secure work environment free of harassment, discrimination and repressions. Taking into consideration the age distribution among employees, it is important to emphasize that in 2014 no reports of discrimination were recorded.

### Headcount by age

Age	Number	By percent
19 – 29	115	25%
30 – 39	125	28%
40 - 49	104	23%
Older than 50	107	24%

# Training and Professional Development

JSC "Švyturys-Utenos alus" constantly invests into employee training and professional development. In 2014 year 97 312,3 EUR was allotted to employee training. During the year the following training was performed: sales strategies training for sales managers, training of successful leadership, personal leadership, feedback training, "Internal Coaching Academy" training and other. During 2014 as many as 27 employees of the company were promoted or their responsibilities expanded.

As every year, in 2014 "Švyturys-Utenos alus" awarded the employees 10 "Golden Hop Prizes" for their contribution to fostering corporate values. In 2014 nine best managers of the year were also awarded. In order to boost the initiatives and motivate, value ambassadors who were awarded with "Golden Hop prizes" and the best managers of the year were provided with the possibility to go to the trip to Milan for visiting the EXPO exhibition as well as have tour in Milan's one of the "Carlsberg" group breweries "Birrificio Angelo Poretti".

In 2014 JSC "Švyturys-Utenos alus" continued with motivational awards program "Thank You", during which clients', managers', colleagues' gratitude for successful projects, excellent performance, outstanding initiatives is expressed to the employees handling in the diplomas of gratitude and souvenirs. While implementing the program, 23 employees were awarded during the year 2014. 57 employees were awarded "For the loyalty" (record year of continuous employment anniversary) in 2014.

### Employee Oriented Initiatives

December 2014 the company held a traditional "Good job" month, during which in various towns employees of the company got involved in various charity and support projects.

On the occasion of winter holidays JSC "Švyturys-Utenos alus" organized Christmas celebrations for employees' children with festive performances after which Santa Claus handed out gifts, games took place, dances were held and poems were said.



### Occupational Safety and Health

JSC "Švyturys-Utenos alus" pays the utmost of attention towards employee occupational safety and health.

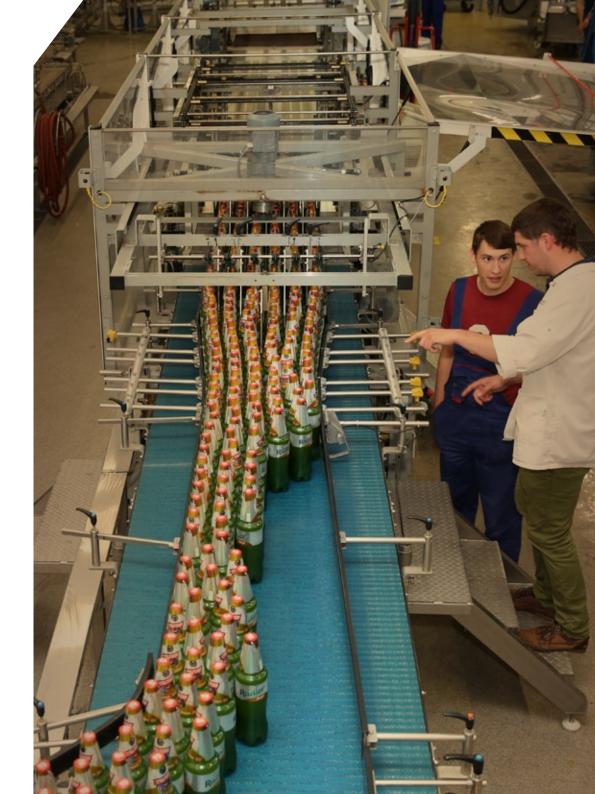
Since 2014 "Utena" brewery and Utena logistic warehouse has been having the integrated Quality System (according to LST EN ISO 9001:2008), Environment Protection System (according to LST EN ISO 14001:2005) and Employee Occupational Safety and Health Management System (according to LST 1977:2008 BS; OHSAS 18001:2007).

The company's primary goal of occupational safety and health is to carry out a permanent prevention of the occurrence of any accidents at work. The Company has been successfully operating the potentially dangerous situations reporting system. The system involves employees into constant professional risk assessment process, helps to collect information about the emerging safety hazards within production and logistic units, as well as helps to foresee and provide the appropriate preventive measures and implement them consistently, using the experience, observations and suggestions of the staff.

During 2014 "Švyturys" brewery recorded 74 reports of potentially dangerous situations, of which 65 removed (88 percent), "Utena" brewery received 117 reports of potentially dangerous situations, of which 94 removed (80 percent). "Utena" beer logistics warehouse received 96 reports of potentially dangerous situations, of which 80 removed (83 percent).

## **Occupational Safety Improvement in 2014**

Occupational safety and health measures	Funds, EUR	Comments	
Providing the staff with personal protective equipment	63 796	Lease of work wear, acquisition of personal protective equipment: hearing, eye, respiratory protective equipment , work boots, cold-resistant jackets, work gloves, brightly-coloured jackets, etc.	
		<ul> <li>Training of unit managers and specialists according to the employer's authorized persons work safety training program;</li> </ul>	
		<ul> <li>Training of potentially dangerous equipment masters and hazardous operations managers;</li> </ul>	
Staff training according to formal and informal	8 978	<ul> <li>Training of staff, carrying out dangerous work: forklift drivers, electric carriage drivers, training of power staff to get an electricity safety category, training of workers performing work in high-altitude, training of those working with chemicals, those working at noise and handling consignment by hand;</li> </ul>	
training programs		<ul> <li>Training of staff, operating potentially dangerous equipment, i. e., refrigeration compressors operator, air compressors operator, heat stations operators;</li> </ul>	
		<ul> <li>Professional training of electric welder, drivers;</li> </ul>	
		<ul> <li>Fire protection trainings;</li> </ul>	
		Compulsory training on first aid and hygiene skills.	
Occupational risk assessment	869	Occupational risk assessment has been carried out in the following workplaces: "Utena" advertising supply warehouse forklift driver - loader, the storekeeper - forklift driver, storekeeper - accountant, "Švyturys" supply and logistics warehouse forklift driver – loader.	
Drinks for employees	11 390	Drinks are provided free of charge to the employees.	
Health of employees	3 846	Periodic health check of employees, vaccination against influenza, medicine, bandages, first - aid kits acquisition for first aid set.	
TOTAL:	88 879		



# Implemented technical measures to improve labour safety:

#### Improving working conditions at "Utena" brewery

- Employee meeting room established;
- Floor repaired at the corridor of the industrial building, in the draught workshop;
- Electrical and automation bar room reconstructed;
- New lighting installed at spare parts warehouse;
- Ergonomic chairs acquired for draught workshop operators;
- Tool keeping carts acquired for draught workshop, mechanical bar;

## Improving work conditions at "Utena" beer logistic warehouse:

- A lounge and dining room established for the employees of supply and advertising warehouses;
- Area asphalt surface repaired;
- Improved lighting of product collecting area;
- Marked pedestrian walkways and traffic routes in the warehouse and at the site;
- Renewed goods assemblers rest and eating facilities;
- The floor repaired at warehouse R5 and finished production warehouse;
- Wall covering and roofing renewed at warehouse R2;
- Equipment storage warehouses reconstructed;
- Caustic soda warehouse moved to production building complex;

#### Improving work conditions at "Švyturys" brewery and "Švyturys" supply and logistics warehouse:

- Marked pedestrian walkways and forklift traffic routes in the warehouse and at the site;
- Mounted the safety fence between footpath and KEG barrel keeping site;
- Renewed storage equipment forklifts, mechanical charts;
- Installed automatic water meter data collecting system;
- New gates installed with complementary exit door for pedestrians;
- Production premises repaired and beer aging cellars;
- Conditioning system renewed in KEG barrel unit;
- Spots for keeping employee personal stuff arranged at workshops;
- Special means acquired for the safe storage of chemicals;
- During 2014 total amount spent for labour safety improvement made 88 879 EUR. .

## Additional staff costs

Benefits paid under collective agreement	Amount, EUR	Notes
Payment for the first two days of sick leave 95 %	1833	
Support for families (when raising 3 or more children or a single parent raising children)	3 509	Paid to 12 families.
September 1 <sup>st</sup> benefits	9 939	Paid to 131 child.
Funeral allowance	7 530	Paid to 20 employees.
Festive allowance at child birth	3 551	Paid to 12 newborn parents.
Festive allowance on the occasion of wedding	3 846	Paid to 13 employees.
Vacation premium (33% earning the lowest salaries)	22 950	Paid to 121 employee.
Study vacation	8 192	According to the collective agreement, during study vacation, provided fields of study related to the position, the employee is paid the average salary, and if not related to the official responsibilities – paid a minimum.
Additional vacation according to Collective Agreement	5 678	For additional holidays, which we provide for those who are employed under conditions that do not meet the normal working conditions and for work in shifts.
Accident insurance	1 897	6 employees received insurance payment.
Compensation for conditions that deviate from normal working conditions	216 901	Under the Labour Code (LC), if there are deviations from normal working conditions, work in such conditions is paid by increased rate compared with normal conditions rate. Specific payment rates shall be determined in collective agreements and employment contracts. LC does not specify the size of the increased wage rate.
Overtime, for work on days off and/or holidays	11 857	
TOTAL	297 683	

# SOCIAL RESPONSIBILITY AND ENVIRONMENT PROTECTION

In 2014 the seamless continuation of production efficiency improvement and resources austerity program occurred.

### At "Utena" brewery

• Modernized CAN line tunnel pasteurizer unit, reducing steam consumption;

• PET line equipped with *Short neck* – (shorter) PET bottle neck unit, reducing environment pollution as far as plastic segment is concerned;

• In PET and glass lines modernisation performed of filling level blocking units *"Heuft"* to ensure a uniform filling level of bottles;

• Optimized PET compressor which reduces energy costs;

### "Švyturys" brewery

• Modernized steam supply, reducing steam consumption;

• Construction of a steam boiler, steam is generated from gas.

During 2014 the installed equipment upgrades at JSC "Švyturys-Utenos alus" breweries in Klaipėda and Utena have significantly improved CO<sup>2</sup> emission indexes. Improvement of production and introducing the latest innovative solutions, the company reduced energy and resources. JSC "Švyturys-Utenos alus" has responsibly contributed to water saving - a major food and beverage industry resource. It has also been used 7.43 percent less of energy.

Electricity consumption (kWh)		Alteration %		
	"Švyturys-Utenos alus" production		-4.49	
	Water consumption (m³)		Alteration %	
	"Švyturys-Utenos alus" production		-9.58	
	Waste water (m³)		Alteration %	
	"Švyturys-Utenos alus" production		-9.33	
	nere pollution: CO <sub>2</sub> Al		eration %	
	ige depending on ntities produced		-15,23	
Packaging	Packaging waste usage and (or) recycling tasks, %		Recycled, t	
2012	49%		2459	
2013	48%		2486	
2014	50%		2365	

The company pays great attention to employee education on environmental issues, especially emphasizing waste sorting. Furthermore, waste sorting periodic checks are performed. In 2014 the company very successfully reduced quantities of mixed municipal waste disposed in landfills, thus contributing to nature conservation. In 2014, compared with 2013, quantities of the mixed municipal waste at "Utena" brewery fell by 10. 5 tons and at "Švuturus" – by 4.3 tons.

The company takes care of ecological solutions not only for its breweries, but also in protecting the environment. In 2014 JSC "Švyturys-Utenos alus" involved in handling the campaign "Let's do it": the company's employees participated at cleaning event at the breweries of "Utena" and "Švyturys".

In 2014 after the Curonian Spit was devastated by fire, "Klaipeda Origin Švyturys

Foundation" allocated funds for restoration of the ravaged forest. This way the company stimulated environmental and sustainable development initiatives. Immediately after the fire disaster the support has been provided amounting to 8 700 EUR, which was used to further forest conservation and prevention. Also within the period from April, 2014 disaster to the very end of the year "Švyturys" allocated 5 cents of Litas (0,014 EUR) of each sold bottle of the "Memelbrau" beer of cup: total collected amount made 5 000 EUR. "Švyturys" support has been provided to the Directorate of Curonian Spit National Park, the funds utilized for the salaries of dunes quardians, who have worked in Nagliai Nature Reserve and Grobštas Nature Reserve as well as to finance the woodu vegetation removal works carried out in autumn.



## SOCIAL RESPONSIBILITY AND FIGHT AGAINST CORRUPTION

Since 2011 "Švyturys-Utenos alus" has been keeping to "Carlsberg" group business policy. This order defines the company's codes of conduct to ensure that everything would be treated ethically in business and the company would comply with all relevant laws and regulations in the company. Policy of the "Carlsberg" group business ethics covers eight basic areas:

**Bribery.** "Carlsberg" group and its employees must avoid any form of bribery or taking bribes.

**Urgency taxes.** "Carlsberg" group is opposed to the urgency of tax practice.

**Gifts, hospitality and entertainment.** Gifts, hospitality and entertainment offered to or accepted from "Carlsberg" group and its employees, must be adequate. "Carlsberg" group and its employees cannot provide with legitimate business purposes unrelated gifts, hospitality and entertainment to public or private parties as well as cannot receive such gifts, hospitality or entertainment from them either.

**Donations.** "Carlsberg" group does not make political contributions and does not benefit from donations to gain improper business advantage.

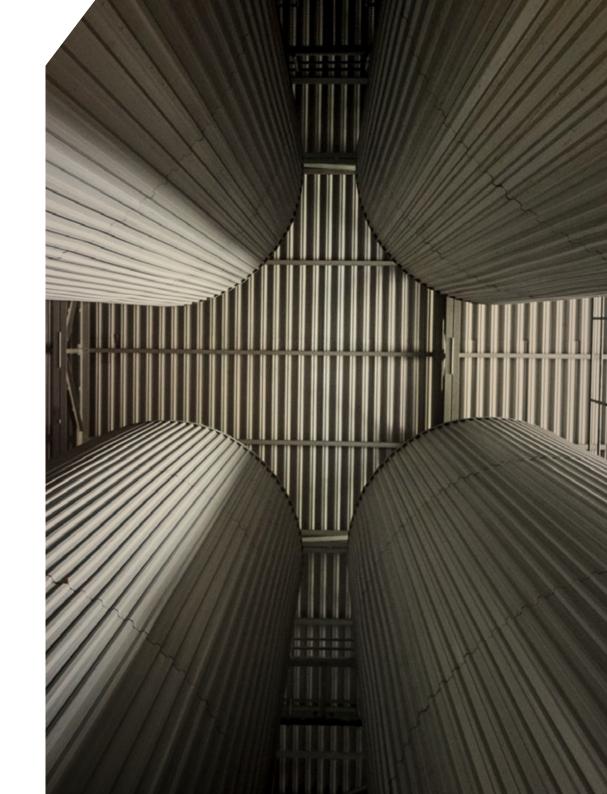
**Conflicts of interest.** "Carlsberg" group employees are not engaged in activities which may cause the private and the "Carlsberg" group conflict of interest. **Confidential information.** "Carlsberg" group employees have no right to disclose or misuse any confidential business information. Confidential records on relations of the "Carlsberg" group and parties of interest are secured.

#### Compliance with competition laws.

"Carlsberg" group and its staff ensure that the company "Carlsberg" business practices would always comply with the applicable competition rules, laws and internal policy of the "Carlsberg" company's business ethics.

Fraud. "Carlsberg" group employees cannot appropriate the company's assets and resources. Employees may use company property or company resources only for "Carlsberg" group business objectives. Employees must comply with the "Carlsberg" group accounting policy frauds firewall procedures.

In order to ensure full compliance with this policy, a telephone line has been established for reporting incidents. This can also be done online. The system ensures complete confidentiality and anonymity.



## Corporate social responsibility report announcing and publicity

Social Responsibility Report is published on JSC "Švyturys-Utenos alus" website

(www.svyturys.lt) and therefore intended for consideration of "UN GlobalCompact" partners.

The report will also be made available to all interested parties using the contact details provided below.

Contact person for comments and additional information: Dainius Smailys, Director Corporate Affairs Tel.: +370 5 2397600, e-mail: dainius.smailys@svyturys.lt

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