

APPROVED

In general meeting of shareholders of Vilniaus baldai, AB
30/12/2025

VILNIAUS BALDAI, AB

REMUNERATION POLICY

GENERAL PROVISIONS

This Remuneration policy of the Vilniaus baldai, AB (hereinafter – the Company) (hereinafter – the Remuneration Policy) has been prepared in accordance with Article 37³ of the Law on Companies of the Republic of Lithuania and other related legal acts, and applies to the Company's Chief Executive Officer and members of the Board. Following the approval of the Remuneration Policy by a resolution of the General Meeting of Shareholders, the remuneration of the Company's Chief Executive Officer and members of the Board (hereinafter collectively referred to as the Executives) shall be paid in accordance with this Remuneration Policy.

The Remuneration Policy is consistent with the Company's business strategy, long-term objectives and interests and aims to:

- ensure competitive remuneration for the Executives that is aligned with the Company's financial performance;
- enhance the Company's transparency and the accountability of the Executives, and to enable shareholders, potential investors and other stakeholders to obtain a comprehensive and reliable overview of the remuneration awarded to each Executive;
- avoid conflicts of interest in determining the remuneration of the Chief Executive Officer and members of the Board, and to prevent discrimination on any grounds.

The Company has not established a Remuneration Committee or any other relevant committees. The functions of such committees are performed by the Company's Board.

REMUNERATION OF THE BOARD

Members of the Board shall be appointed and/or removed for the term of office provided for in the Company's Articles of Association, and tantiemes shall be granted and paid by a resolution of the relevant General Meeting of Shareholders of the Company, in accordance with the procedure established by law.

Where the General Meeting of Shareholders approves the payment of tantiemes, the share of tantiemes assigned to a specific member of the Board shall be determined by a decision of the Board, taking into account the individual contribution of the respective Board member to the Company's activities.

Members of the Board may receive remuneration from the Company under employment contracts, the terms and conditions of which must be approved in advance by resolutions of the Board and the Company's Audit Committee.

Where civil service agreements are concluded with members of the Board, such agreements shall enter into force only upon approval by the General Meeting of Shareholders.

No additional payments shall be made to members of the Board, except in cases where the payment thereof has been approved by a resolution of the General Meeting of Shareholders.

REMUNERATION OF THE COMPANY'S CHIEF EXECUTIVE OFFICER

The remuneration paid to the Company's Chief Executive Officer consists of a fixed and a variable component:

- 1) Fixed component of remuneration – a monthly salary paid on the basis of a permanent employment contract concluded with the Company's Chief Executive Officer. The amount of the Chief Executive Officer's salary shall be determined by a resolution of the Board.
- 2) Variable component of remuneration – a component of remuneration dependent on the Company's financial performance, paid as an annual bonus and awarded by a decision of the Board.

By a resolution of the Board, agreements may be entered into with the Company's Chief Executive Officer regarding supplementary pension arrangements or early retirement conditions, the terms and conditions for the termination of the employment contract, and payments related to the termination of the employment contract.

The Company does not apply deferral of remuneration payments and does not exercise the right to recover the variable component of remuneration.

PROCEDURE FOR THE PREPARATION, APPROVAL AND AMENDMENT OF THE REMUNERATION POLICY

The Remuneration Policy shall be prepared for a period of four (4) years and shall remain valid until the ordinary General Meeting of Shareholders of the Company held in the fourth year.

In preparing the Remuneration Policy, due consideration has been given to the remuneration and employment conditions of the Company's employees, with the aim of ensuring that the remuneration paid to the Company's Executives is determined under conditions applied within the Company.

The draft Remuneration Policy (and any amendments) shall be prepared by the Chief Executive Officer of the Company. The right to initiate amendments to the Remuneration Policy is granted to shareholders holding more than one-tenth (1/10) of all votes, as well as the Board of the Company.

The Remuneration Policy (and any amendments) shall be approved by the General Meeting of Shareholders of the Company. The Remuneration Policy is approved when it is supported by a majority of not less than two-thirds (2/3) of the votes attached to the shares represented at the General Meeting of Shareholders of the Company.

Following the approval of the Remuneration Policy, remuneration to the Executives shall be paid exclusively in accordance with the Remuneration Policy approved by the General Meeting of Shareholders of the Company.

Where the Remuneration Policy has been approved and the amendments to the Remuneration Policy (or a new Remuneration Policy) proposed to the General Meeting of Shareholders of the Company are not approved, the Company shall continue to pay

remuneration to the Executives in accordance with the existing approved Remuneration Policy and shall submit a revised policy for approval at the next General Meeting of Shareholders of the Company.

The Remuneration Policy (and any amendments or additions) shall be published on the Company's website without delay following the General Meeting of Shareholders of the Company at which it was approved, indicating the date of the General Meeting of Shareholders that approved the Remuneration Policy and the voting results.

The Board of the Company shall be responsible for the regular review of the Remuneration Policy and for the implementation of its provisions.

When amending the Remuneration Policy, the following shall be submitted to the General Meeting of Shareholders of the Company together with the proposed amendments: (i) a description and explanation of the material changes to the Remuneration Policy; (ii) where the amended Remuneration Policy has previously been considered by the General Meeting of Shareholders but was not approved, the reasons indicated in the resolution of the General Meeting of Shareholders; and (iii) all Remuneration Reports approved after the most recent vote of the General Meeting of Shareholders of the Company on the Remuneration Policy.

REMUNERATION REPORT

Upon the end of the financial year, the Company shall prepare a remuneration report (or the relevant information shall be included in the annual set of financial statements and/or the management report), providing a comprehensive overview of the remuneration awarded to the Executives, including all bonuses and benefits in any form not provided for in the Remuneration Policy, granted during the last financial year. The remuneration report shall be submitted to the ordinary General Meeting of Shareholders of the Company.

At the ordinary General Meeting of Shareholders at which the remuneration report is submitted, the shareholders present shall have the right to submit their comments. In the remuneration report for the following year, the Company shall explain how the comments submitted by the shareholders have been taken into account.

The Company shall not disclose in the remuneration report any special categories of personal data of the Executives (as defined in Article 9(1) of Regulation (EU) 2016/679 of the

European Parliament and of the Council (GDPR)), nor any personal data revealing the family status of specific individuals. The personal data included in the remuneration report shall be processed by the Company for the purpose of enhancing transparency related to the remuneration of managers, increasing managerial accountability, and improving shareholder oversight of managerial remuneration.

The Company shall retain the personal data of the Executives included in the remuneration report for no longer than ten (10) years from the date of publication of the remuneration report. Upon the expiry of the ten-year period, the Company shall remove all personal data from the remuneration report and shall no longer publicly disclose the remuneration report as a whole.