



Notice of the Annual General Meeting of Shareholders

28 February 2023 (updated on 10 March 2023)



Annual General Meeting of Shareholders of AB “Ignitis grupė”

On 10 March 2023, the Management Board of AB “Ignitis grupė” (hereinafter – the Group or the Company), company code: 301844044, registered office address: Laisvės Ave. 10, Vilnius, decided to add items 6, 7 and 8 to the agenda of the Annual General Meeting (hereinafter – AGM) of Shareholders, which was convened by the decision of the Company of 28 February 2023, to be held on

30 March 2023, 13.00 pm (Vilnius time) at

Business Garden Vilnius verslo centras, Laisvės Ave. 10, Vilnius, LT-04215

Registration starts at 12.00 pm and closes at 12.45 pm (Vilnius time)

The agenda of the AGM and the proposed draft resolutions are as follows:

No.	Item	Proposed resolution	Arguments
1.	Regarding agreement to AB “Ignitis grupė” consolidated annual report for the year 2022, except for the part of the remuneration report.	1.1. To agree to AB “Ignitis grupė” consolidated annual report for the year 2022, except for the part of the remuneration report.	(link)
2.	Regarding agreement to the remuneration report of AB “Ignitis grupė”, as part of the consolidated annual report of AB “Ignitis grupė” for the year 2022.	2.1. To agree to the remuneration report of AB “Ignitis grupė”, as part of the consolidated annual report of AB “Ignitis grupė” for the year 2022.	(link)
3.	Regarding the approval of the set of audited annual financial statements of AB “Ignitis grupė” and the set of consolidated financial statements of AB “Ignitis grupė” group of companies for the year 2022.	3.1. To approve the set of audited annual financial statements of AB “Ignitis grupė” and the set of consolidated financial statements of AB “Ignitis grupė” group of companies for the year ended 31 December 2022.	(link)
4.	Regarding the allocation of profit (loss) of AB “Ignitis grupė” for the year 2022.	4.1. To allocate AB “Ignitis grupė” profit (loss) for the year 2022 (attached).	Annex 1
5.	Regarding agreement to the allocation of aid to Ukraine.	5.1. To agree to the allocation of EUR 12 million in aid for the recovery and reconstruction of Ukraine's energy infrastructure in accordance with the requirements and procedures laid down in the legal acts of the Republic of Lithuania. This decision shall enter into force from the date of entry into force of the amendments to the legal acts of the Republic of Lithuania regulating the allocation of such aid.	Annex 2

6.	Regarding the election of the audit firm and conditions of payment for audit services.	<p>6.1. To elect “KPMG Baltics”, UAB as the audit firm to perform the audit of the financial statements of AB “Ignitis grupė” and the consolidated financial statements of AB “Ignitis grupė” group of the companies for the year 2023–2027.</p> <p>6.2. To determine that the payment for the audit services of the financial statements for the year 2023–2027 would be 590,000.00 (five hundred ninety thousand euros) (VAT excluded), using the 12-month change in the Harmonised Index of Consumer Prices (HICP), which is determined by the Republic of Lithuania in December of the preceding year, for the recalculation of the prices of audit services (the principle for recalculation of prices is attached).</p>	Annex 3
7.	Regarding the approval of the updated Remuneration Policy of AB “Ignitis grupė” group of companies.	7.1. To approve the updated Remuneration Policy of AB “Ignitis grupė” group of companies (attached).	Annexes 4 and 5
8.	Regarding the approval of the new wording of the Articles of Association of AB “Ignitis grupė” and the power of attorney.	<p>8.1. To approve the new wording of the Articles of Association of AB “Ignitis grupė” (attached).</p> <p>8.2. To authorise the Chief Executive Officer of AB “Ignitis grupė” or another person authorised by him to sign the Articles of Association and to perform all actions necessary for the implementation of this resolution.</p>	Annexes 6, 7 and 8

Other information

Share capital and voting rights

The Group's share capital is EUR 1,616,445,476.80, divided into 72,388,960 ordinary registered shares with a nominal value of EUR 22.33 per share. Each share carries one vote.

Agenda

The agenda of the AGM of Shareholders of the Group may be supplemented on the initiative of shareholders whose shares held in the Group carry at least 1/20 of all votes at the AGM of Shareholders of the Group. The proposal to supplement the agenda of the respective AGM of Shareholders shall be accompanied by draft resolutions or, where no resolutions have to be passed, by explanations on each proposed agenda item of the AGM of Shareholders. The agenda shall be supplemented if the proposal is received no later than 14 days before the respective AGM of Shareholders.

Shareholders whose shares held in the Group carry at least 1/20 of all votes at the AGM of Shareholders shall have the right to propose, at any time before or during the AGM of Shareholders of the Group, new draft resolutions on issues that are included or will be included in the agendas of the AGM of Shareholders of the Group. Proposals on the supplementation of the respective agenda or relevant draft resolutions shall be submitted in writing to the Group, Laisvės Ave. 10, Vilnius, or by e-mail IR@ignitis.lt.

Record date of attendance and voting rights

Shareholders holding shares in the Group on the fifth business day before the date of the AGM of Shareholders (record date) are entitled to attend and vote at the AGM of Shareholders.

The date of registration (or record date) is 23 March 2023. At the end of the date of registration, the shareholding and voting rights are determined based on the ownership recorded in the shareholders' register. Furthermore, attendance at the AGM of Shareholders is at the discretion of the shareholder.

Voting

A shareholder or his authorised representative who is unable to attend the AGM of Shareholders may vote in writing in advance (by filling in and submitting the general ballot paper).

Obtaining a general ballot paper

- It may be downloaded from the Group's website: <https://ignitisgrupe.lt/en/gm>
- Upon a written request, the Group shall send a general ballot paper by registered mail or deliver it to the shareholder with a signed acknowledgement of receipt at least 10 days prior (or by 20 March 2023) to the AGM of Shareholders

Ways of submitting a general ballot paper

- A general ballot paper, completed and signed by qualified electronic signature, shall be submitted by emailing IR@ignitis.lt
or
- A general ballot paper, completed and signed by qualified electronic signature, shall be submitted to the Group by registered mail or delivered to AB "Ignitis grupė", Laisvės Ave. 10, Vilnius, LT-04215, Lithuania, attn. Ainė Riffel-Grinkevičienė, no later than before the AGM of Shareholders, i.e., no later than 30 March 2023, 12.45 pm.

Important: if the general ballot paper is signed by an authorised person, a document confirming the right to vote must be submitted as well.

- Detailed instructions on signing and submitting the general ballot paper to the Group are also available on the Group's website: <https://ignitisgrupe.lt/en/gm>

The Group shall reserve the right not to include the advance vote of a shareholder or his/her authorised representative, if the submitted general ballot papers do not conform to the provisions of Article 30(3) and (4) of the Law on Companies of the Republic of Lithuania or they are received after the end of deadline or filled in such manner that it is impossible to establish the true will of the shareholder on a separate issue.

Voting under the power of attorney

Persons shall have the right to vote under the power of attorney in the AGM of Shareholders. Power of attorney shall state in a written document that one person (the principal) grants to another person (the authorised representative) the right to represent the principal in establishing and maintaining relation with the third party. An authorisation to perform actions on behalf of a natural person that pertain to legal entities must be notarised, except in cases provided by the law and authorising the granting an authorisation in any other form. A power of attorney issued abroad must be translated into Lithuanian and legalized in accordance with the procedure established by law. The Group does not establish a special form of power of attorney. Authorised representatives must hold the power of attorney as provided by law, which must be submitted before the AGM of Shareholders. The authorised representative shall enjoy the same rights in the convened AGM of Shareholders as his/her represented shareholder would.

Shareholders entitled to attend the AGM of Shareholders shall have the right to authorise a natural person or a legal entity using electronic means of communication to attend and vote on their behalf at an AGM of Shareholders. Such authorisation does not need to be notarised. The Group shall acknowledge authorisation granted by electronic means of communication only if the shareholder signs it by electronic signature generated by safe software and certified by a qualified certificate applicable in the Republic of Lithuania, i.e., if the security of the conveyed information is ensured and the identity of the shareholder can be established. The shareholder must notify the Group in writing about granted authorisation by electronic means of communication by sending an authorisation by e-mail to IR@ignitis.lt no later than until the AGM of Shareholders.

Questions

Any shareholder of the Group may present questions related to the agenda of the AGM of Shareholders of the Group. Such questions must be submitted by e-mail to IR@ignitis.lt or delivered to the Group, Laisvės Ave. 10, Vilnius, Lithuania, attn. Ainė Riffel-Grinkevičienė no later than 3 working days (or by 27 March 2023 inclusive) before the AGM of Shareholders. After receiving the questions, the answers will be provided to the Group's shareholders in accordance with the procedure established by the Law on Companies of the Republic of Lithuania, i.e., at the same time for all shareholders of the Group prior to the AGM of Shareholders in the form of questions and answers on the website of the Group at <https://ignitisgrupe.lt/en/gm>.

Webcast

The AGM of Shareholders will not be webcasted.

Language

The AGM of Shareholders will be held in Lithuanian with simultaneous interpretation to English.

Available information

All statutory information related to the convened AGM of Shareholders and annexes to issues on the agenda of such meeting will be available on the website of the Group at <https://ignitisgrupe.lt/en/gm> and other informational sources based on the procedures established by law.

Other information

The Group CEO, the Group CFO, members of the Management Board, and members of the Supervisory Board are entitled to attend and speak at the AGM. During this AGM, both the Group's CEO and the Group's CFO will participate in the meeting.

Electronic means of communication shall not be used for the participation and voting at the AGM of Shareholders.

Annex 1: AB “Ignitis grupė” draft of the profit (loss) allocation 2022

Articles	Amount, EUR
Retained profit (loss) at the end of 2021	230,145,970.06
- share of profit allocated to legal reserve	(11,577,890.00)
- share of profit allocated to reserve for the purchase of own shares	(14,659,965.00)
- share of profit allocated to pay out dividends for the period of 2021	(87,577,441.27)
Net profit for the year 2022	102,548,198.24
- profit (loss) not recognized in the income statement	5,392,806.84
- transfer from other reserves	0.00
Distributable profit (loss) at the end of 2022, total	224,271,678.87
- share of profit allocated to legal reserve	(5,127,409.91)
- share of profit allocated to reserve for the purchase of own ordinary registered shares	0.00
Share of profit for the allocation of dividends	219,144,268.96
- share of profit allocated to pay out dividends for the period 2022.01.01 – 2022.06.30	(45,170,711.04)
- share of profit allocated to pay out dividends for the period 2022.07.01 – 2022.12.31	(45,170,711.04)
Retained profit (loss) at the end of 2022 remaining after profit allocation, brought forward	128,802,846.88
Dividends per share for the period of 2022.07.01 – 2022.12.31	0.624
Number of shares for the distribution of dividends for the period of 2022.07.01 - 2022.12.31	72,388,960

Annex 2: Regarding agreement to the allocation of aid to Ukraine

The Group's Management Board proposes to the Annual General Meeting of Shareholders to agree on the allocation of EUR 12 million of additional profit earned in 2022 from Green Generation as aid to recover and reconstruct energy infrastructure of Ukraine. On 24 February 2023, the Supervisory Board of the Group provided a positive comment to such proposal by the Group's Management Board.

Based on the Group's management assessment, additional profit earned in 2022 from Green Generation amounts to EUR 114.2 million and is calculated as per below:

1. in the [Annual report 2021](#) announced on the 28 February 2022, the Group provided Adjusted EBITDA guidance for 2022 in the range of EUR 290–335 million;
2. the actual audited Adjusted EBITDA for 2022 reached EUR 469.3 million or EUR 134.3 million more compared to the higher end of the provided guidance range, i.e., EUR 335 million;
3. a nominal profit tax rate in Lithuania of 15% was applied for a difference of the actual 2022 Adjusted EBITDA result versus the initial guidance (EUR 134.3 million), thus arriving at EUR 114.2 million ($134.3 \times 0.85 = 114.2$).

Hence, 10% or EUR 11.4 million of additional profit earned in 2022 from Green Generation rounded up is EUR 12 million, which is proposed to be allocated to Ukraine. The Group believes that the main cause of energy sector companies additional profits earned in 2022 is the war in Ukraine. Hence, companies should make their best efforts in supporting the country.

All the remaining additional profit earned in 2022 from Green Generation (EUR 102.2 million out of EUR 114.2 million), as [committed](#) in Q4 2022, will be reinvested into building new energy infrastructure in Lithuania to contribute to ensuring Lithuania's energy security and green transition.

It should be noted that the allocation of aid to Ukraine is possible only after the amendments to the legal acts of the Republic of Lithuania regulating the provision of such aid come into force, therefore, the proposal of the Management Board to the Annual General Meeting of Shareholders is conditional and it would be implemented from the date of entry into force of the amendments to the legal acts of the Republic of Lithuania regulating the allocation of such aid.

Annex 3: The principle for recalculation of audit services prices

The prices for audit services may be subject to recalculation on the basis of the terms and conditions set out in the Contract. During the term of the Contract prices may be revised no more than once every 12 (twelve) months. The price of the audit services for 2023 shall not be subject to any recalculation.

By agreement of the Parties, the change in the 12-month Harmonised Index of Consumer Prices (HICP) of the Republic of Lithuania for the month of December of the previous year, as published on the portal of the Statistics Department of the Republic of Lithuania, shall be used for the purpose of the recalculation of the price level (source of data – <http://www.stat.gov.lt>).

Year	Principle of recalculation
2023	Non-recalculated
2024	December 2023 12-month HICP change
2025	December 2024 12-month HICP change
2026	December 2025 12-month HICP change
2027	December 2026 12-month HICP change

Annex 4: Arguments regarding the proposals to approve the updated Remuneration Policy of AB “Ignitis grupė” group of companies

Article 37³ (1) of the Law on Companies of the Republic of Lithuania provides that a public limited liability company whose shares are admitted to trading on a regulated market must approve a remuneration policy. The remuneration policy must apply at least to the CEO and members of the Management Board and the Supervisory Board of the company.

The currently valid version of the Remuneration Policy of AB “Ignitis grupė” group of companies (hereinafter – the Remuneration Policy or the Policy) was approved by the resolution of the Company's General Meeting of Shareholders on **29 September 2022**.

Over the course of 2022 as well as Q1 2023, the Group worked with a few international external advisors who reviewed compliance of the Remuneration Policy and its structure with good market practices as well as expectations of the investors for the incentivisation of the CEO and the members of the Management Board of the parent company and CEOs of the Group companies.

Following the assessment of the legal framework and observations of international external advisors, an updated Remuneration Policy has been developed and is presented (Annex 5).

Changes to the Remuneration Policy are proposed in order to respond to the investor's' expectations and ensure that they vote in favour of the Remuneration Policy in the AGM. The main changes proposed:

- (i) the Remuneration Policy was simplified to make it easier for the shareholders to interpret and understand, made more user-friendly;
- (ii) the peer group that is used to assess the remuneration of key executives, the benchmarking market has been defined: the local salary market and the remuneration paid by the largest regional companies with comparable capitalisation, size and international element;
- (iii) the current Remuneration Policy gives the Supervisory Board a discretionary power to set a fixed remuneration above the upper limit of the salary range – this part has been eliminated;
- (iv) in order to disclose variable remuneration parameters, an illustrative list with target areas which are usually covered has been included;
- (v) an additional remuneration element – a long-term variable part (LTV) – paid for the achievement of long-term targets has been introduced, where:
 - LTV is linked with the Group's performance, i.e., the fulfillment of the main KPIs of the 4-year strategic plan;
 - the maximum/target size of the variable remuneration part set as the percentage from the fixed base salary (FBS) (basic salary and payment for the activities of the Management Board) has been added;
- (vi) the possibility not to pay, reduce or require the return of short-term variable part of remuneration or tranches of the LTV in part or in full from an employee who commits unlawful acts whilst achieving set targets or in cases such as the restatement of accounts or the submission of erroneous data (malus and claw-back);
- (vii) in order to maintain the independence of the remuneration of the collegial bodies of the Company from the Company's performance and the CEO's remuneration, the remuneration for collegial bodies is fixed for the entire term of office of collegial bodies and disclosed clearly in the Policy. Remuneration of the collegial bodies of the subsidiaries will be regulated in other internal legal acts, therefore, it has been eliminated from the Policy;
- (viii) for the sake of internal fairness, the variable part of the remuneration, which is paid for the achievement of short-term targets, and LTV is calculated from the FBS, including the payment for the activities of the Management Board, if any.

By its decision of 9 March 2023, the Management Board agreed to the updated Remuneration Policy of AB “Ignitis grupė” group of companies, and it was decided to submit it for approval to the AGM.

In addition, pursuant to Article 30.15 of the Articles of Association of the Company and Article 31(1)(9) of the Law on Companies, the Supervisory Board, taking into account the opinion of the Nomination and Remuneration Committee of the Supervisory Board of the Company, has submitted its proposal to the AGM to approve the updated Remuneration Policy.

A draft of the updated Remuneration Policy is attached as Annex 5. Given that more than half of the text of the Remuneration Policy has been reworded, no comparative version of the Policy has been prepared.

Annex 5: The updated Remuneration Policy of AB “Ignitis grupė” group of companies

REMUNERATION POLICY OF AB “IGNITIS GRUPĖ” GROUP OF COMPANIES

AB “Ignitis grupė” group of companies (the Group) applies a remuneration policy in order to maintain employee motivation and respond to shareholders’ expectations for sustainable, socially responsible development by creating a modern, international, competitive energy Group.

The remuneration policy aims to attract and retain competent, fast-learning, technologically advanced, globally minded and creative employees.

The Supervisory Board of AB “Ignitis grupė” is a collegial supervisory body elected by the General Meeting of Shareholders. For the effective performance of the Supervisory Board’s functions and responsibilities in the field of remuneration, the Supervisory Board has set up a Nomination and Remuneration Committee to assess and make proposals on the Group’s long-term remuneration policy, to monitor the compliance of the Group’s remuneration policy with international practice and recommendations of good governance practice and to make appropriate proposals for the improvement of the remuneration policy. The Supervisory Board and the Nomination and Remuneration Committee ensure the proper functioning of the system for the prevention of conflicts of interest when making decisions on the remuneration system.

1. PURPOSE AND SCOPE OF APPLICATION

- 1.1. **Purpose:** to establish unanimously fair, clear and transparent principles of remuneration for the employees of AB “Ignitis grupė” group of companies and an employee remuneration system based on them.
- 1.2. **Scope of application:** applies to all Employees and all companies of AB “Ignitis grupė” group of companies.

2. TERMS AND ABBREVIATIONS

Abbreviations	Terms
Remuneration Policy – remuneration policy of AB “Ignitis grupė” group of companies; this document.	Parent Company – AB “Ignitis grupė”.
LTV – a long-term variable part of remuneration paid for achieving long-term objectives.	Employees with Strategic Responsibilities – Employees who have strategic responsibilities and/or make a significant impact on the Group’s performance.
STV – a short-term variable part of remuneration paid for the agreed and measurable short-term (usually annual) results based on the Employee’s performance evaluation.	Employee – a person who has an employment relationship with the Parent Company or the Company, including all executives, unless otherwise specified in the Remuneration Policy.
FBS – fixed base salary.	Group – the Parent Company and its subsidiaries (including lower-tier subsidiaries as well as subsidiaries with their registered offices abroad) in which the Parent Company directly and/or indirectly holds the majority of the votes or may directly or indirectly exercise a decisive influence, as defined in Article 5 of the Law on Companies of the Republic of Lithuania.
NRC – Nomination and Remuneration Committee of the Supervisory Board of the Parent Company.	Company – a Group company, except for the Parent Company.
SB – Supervisory Board of the Parent Company.	Collegial Body – a collegial management body – the Management Board/ the Board, and/or a collegial supervisory body – the Supervisory Board, as specified in the Parent Company’s and/or Companies’ founding documents.
PMB – payment for the activities of the Management Board of the Parent Company.	Key Executives – Employees holding the position of members of the Parent Company’s Executive Board, as well as CEOs of AB “Energijos skirstymo operatorius”, UAB “Ignitis”, AB “Ignitis gamyba” and UAB “Ignitis renewables”.
	Variable Remuneration – a part of remuneration that is paid for the achievement of agreed and measurable short-term and long-term results.

Managers with Strategic Responsibilities – managers who have long-term (longer than one year) strategic objectives in renewable energy projects and/or activities.

Total Remuneration – total monetary remuneration, which consists of the fixed remuneration and Variable Remuneration.

3. PRINCIPLES OF THE REMUNERATION POLICY

3.1. Key principles of the Remuneration Policy:

Internal fairness	The Group ensures that similar or same value-creating work is remunerated equally throughout the organisation. The remuneration system is based on the Group's job structure, which consists of jobs divided into job levels.
External competitiveness	Employees are entitled to receive a competitive salary based on their function, responsibilities, market conditions and geography.
Clarity	The Group aims that all Employees are informed about how their performance, competences and qualification impact their remuneration package as well as on what basis it is set.
Transparency	The Group believes in transparency and shares its objective remuneration criteria with its employees. The job structure and salary ranges are posted on the Parent Company's intranet and are available to all Employees.
Equal opportunities and non-discrimination	Decisions on remuneration must be made in accordance with the provisions set out in the Remuneration Policy, its implementing legislation and the Policy of Equal Opportunities and Diversity in force in the Group.

- 3.2. The Group aims to create a pay-for-performance organisational culture that achieves its objectives, therefore, the remuneration system aims to promote behaviours related to the achievement of the objectives set for the Parent Company and a Company, teams, and Employees.
- 3.3. The Remuneration Policy shall be detailed in the internal legal acts of the Group and/or the Parent Company and/or a Company, which must not contradict this Remuneration Policy.
- 3.4. The provisions of the Remuneration Policy shall be applied taking into account the requirements of the Law on Companies of the Republic of Lithuania, the Labour Code of the Republic of Lithuania (Labour Code) or a relevant legal act of a foreign state, collective agreements as well as other legal acts.
- 3.5. The Group aims to pay all Employees a competitive salary of a respective market, including the market of a specific function. Due to market differences and dynamics, a different policy line and/or compensation element or its size can be introduced for a specific function or business line.
- 3.6. The deferral of Variable Remuneration is not used in the Group. The Parent Company and Companies (in the case of the members of the Management Board of the Parent Company – with the approval of the SB) have the possibility not to pay, reduce or require the return of STV or tranches of the LTV in part or in full from an Employee who commits unlawful acts whilst achieving set targets or in cases such as the restatement of accounts or the submission of erroneous data (malus and claw-back).
- 3.7. The provisions of the Remuneration Policy shall be interpreted and applied in such a way that the SB has discretion to make and/or control substantive decisions related to the remuneration of the Management Board of the Parent Company. When deciding on matters related to the remuneration of the Management Board of the Parent Company, the SB shall be guided by the Remuneration Policy and shall take into account the opinion of the NRC and the competence of the Parent Company's supervisory and/or management bodies as set out in the legislation of the Republic of Lithuania and the Parent Company's Articles of Association.
- 3.8. This Remuneration Policy shall be published on the Parent Company's website.

4. OBJECTIVES

- 4.1. Short-term annual objectives for Employees, except those specified in paragraph 4.2, are set on the basis of a mixture of objectives – the Group's, the Group's/function's, a Company's and team/individual objectives. Based on market practices and/or the competitiveness of specific fields, semi-annual or quarterly objectives may be set for specific Employee groups.
- 4.2. The short-term objectives of the CEO and members of the Management Board of the Parent Company are the same as the annual objectives of the Parent Company approved by the SB. Short-term objectives are public and may be accessed on the Group's [website](#) and usually cover such areas as:
- 4.3. Long-term objectives for Key Executives are set based on the Parent Company's [strategic plan](#). Long-term objectives cannot be the same as short-term objectives and usually cover such areas as:

Short-term performance objectives (example)	Long-term performance objectives (example)
Financial targets	TSR (total shareholder return) performance
Strategic projects or their key milestones	Return on capital employed
Sustainability targets	Growing business
	Increasing efficiency
	Net zero emissions

4.4. The achievement of the set objectives is assessed in terms of the percentage of their achievement.

5. REMUNERATION STRUCTURE AND MAIN PRINCIPLES

5.1. The following overview summarises the remuneration elements that are used in the Group as well as their performance criteria and parameters:

Type	Element		Description	Performance criteria and parameters	Eligibility		
					Employees	Managers with Strategic Responsibilities	Key Executives
TOTAL REMUNERATION	Fixed remuneration	Fixed base salary (FBS)	<ul style="list-style-type: none"> - Determined in the employment contract - Paid on a monthly basis in cash - Determined based on the job level, role and position of an individual employee, including professional experience, seniority, education, responsibility, job complexity, local market conditions, etc. - As a general rule, the FBS should not exceed the maximum level of the salary range 	-	+	+	+
		PMB (if any)	<ul style="list-style-type: none"> - Paid for the activities, which include the oversight of the activities of the Group's Companies, of the Management Board of the Parent Company - Paid on a monthly basis in cash - The level of PMB shall be determined as set out in paragraph 8 of the Remuneration Policy 	-	-	-	+
	Variable Remuneration	STV	<ul style="list-style-type: none"> - Performance-based - Set on annual / quarterly / semi-annual basis 	<ul style="list-style-type: none"> - For meeting specific and measurable targets or indicators set for an individual position / team / Company / function / Group 	+	+	+
		LTV	<ul style="list-style-type: none"> - Performance-based - Rolling four-year performance period to serve as a long-term incentive for sustainable business performance - Paid after the end of each strategic period of 4 years 	<ul style="list-style-type: none"> - For meeting specific and measurable four-year strategic period targets (not overlapping with STV targets) - LTV is paid only after the entire strategic period ends 	-	-	+
			<ul style="list-style-type: none"> - Paid for the development of strategic long-term projects and/or activities carried out in the green generation segment 	<ul style="list-style-type: none"> - Criteria for and objectives of the implementation of long-term projects in the green generation segment shall be determined and approved by the Management Board of the Parent Company. 	-	+	-
	Other rewards	Additional financial incentives	<ul style="list-style-type: none"> - Provided at the initiative and discretion of the employer - Are not a guaranteed part of the remuneration package 	<ul style="list-style-type: none"> - Paid for extraordinary results or for managing the Group's strategic initiatives, etc. 	+	-	-
Expatriate's / attraction package		<ul style="list-style-type: none"> - Reimbursement of additional expenses related to the relocation of an Employee from one country to another due to his/her job functions - Can be used to attract talents from foreign countries 	-	+	+	+	

	Benefits	- Financial and non-financial measures - Designed to promote Employee motivation and loyalty	- Detailed in the Group's internal rules or collective agreements	+	+	+
Other	Severance payments	- Paid at the time of termination of the employment contract	- Paid in accordance with the procedure established by the Labour Code, collective agreements or a relevant legal act of a foreign state	+	+	+
	Non-compete compensation (if concluded)	- Set in the agreement - Usually paid after the termination of the employment contract - Non-compete clause is activated at the discretion of the employer.	-	+	+	+

6. COMPOSITION OF TARGET VARIABLE REMUNERATION

6.1. Target size of Variable Remuneration:

		Key Executives	Managers with Strategic Responsibilities	Employees with Strategic Responsibilities	Other Employees
Target size of Variable Remuneration	STV, % of FBS	up to 20%	up to 20%	up to 20%	up to 10%
	LTV, % of FBS	up to 40%	up to 30%	-	-

7. KEY EXECUTIVES

- 7.1. Once a year, the NRC and the SB shall review and approve the level of alignment of the FBS with the median of the respective market of the Management Board of the Parent Company. The remuneration of the Management Board will change based on the specific responsibilities and the nature of the functions performed and will be reviewed annually by the SB upon a proposal of the NRC. Off-cycle reviews and adjustments may be carried out on request and shall be subject to approval by the SB.
- 7.2. The Group aims to pay competitive remuneration for Key Executives; therefore, the SB and the NRC shall annually analyse the remuneration paid for the largest companies in the local salary market and the remuneration paid in the market by regional companies with comparable capitalisation, size, international scope and nature of business.
- 7.3. The Expatriate's/attraction package / guidelines for Key Executives shall be set out by the SB.
- 7.4. The decision on the severance payment and on the amount of the non-compete compensation (if any) of Key Executives, if it is higher than provided in the Labour Code or relevant foreign legislation, shall be agreed by the SB. Criteria that should be assessed include Key Executives' performance, length of service in the Group, the significance of circumstances, commercial risks and potential damage to the Group and/or a Company arising from competition, etc.
- 7.5. The amount of a severance payment cannot be higher for a Key Executive than his/her 12 (twelve) average monthly salaries.

8. DETERMINATION OF THE REMUNERATION OF THE MEMBERS OF THE COLLEGIAL BODIES OF THE PARENT COMPANY AND COMPANIES

- 8.1. Remuneration for activities in the Collegial Bodies of the Parent Company:

Position in a collegial body	Monthly remuneration, EUR (before taxes)
Independent chair of the Supervisory Board of the Parent Company	4,180
Independent member of the Supervisory Board of the Parent Company	3,140
Civil servant holding the position of a member of the Supervisory Board of the Parent Company	1,570
Chair of the Parent Company's Supervisory Board committees and the Audit Committee (not SB member)	2,000
Independent member of committees of the Parent Company	1,800
Chair of the Management Board of the Parent Company	2,600
Member of the Management Board of the Parent Company	1,800

- 8.2. Remuneration for activities in the Collegial Bodies of Companies should comply with Lithuanian legal acts applicable to state-owned companies and has to comply with the principle 'higher pay for higher responsibility'.
- 8.3. The remuneration stated in Clause 8.1 shall be determined, at the time of the appointment of the Collegial Body, for the entire term of office of the Collegial Body and shall be applicable until the Remuneration Policy is changed by Parent Company's General Meeting of Shareholders. If individual members of a Collegial Body are elected prior to the expiry of the term of office of the existing Collegial Body, the same amount of remuneration shall be determined for them as for the members of the existing Collegial Body.
- 8.4. Remuneration for activities in the Collegial Bodies of the Parent Company and Companies shall not depend on the performance results of the Parent Company or a Company.
- 8.5. The remuneration of the members of the Parent Company's SB for participation in the activities of the committees shall be included in their remuneration for the activities in the SB, and they shall not receive additional remuneration for the activities in the committees.
- 8.6. If a member of a Company's Collegial Body resigns or is removed from office or ceases to hold office on other grounds, no benefits or compensations shall be paid due to the termination of the contract for activities in the Collegial Body. In such cases, the member of the Parent Company's or a Company's Collegial Body must be paid remuneration for the time actually spent in the performance of the activities of the member of the Collegial Body.

9. FINAL PROVISIONS

- 9.1. The Remuneration Policy shall take effect from the moment of its approval and shall be approved and amended following the assessment of the general economic situation in the market, the Group's financial performance and changes in the legislation governing the payment of remuneration or shall be periodically reviewed by a decision by the Parent Company's General Meeting of Shareholders.
- 9.2. When amending the Remuneration Policy, material changes to the Remuneration Policy must be described and explained. If the amended Remuneration Policy has already been discussed at the Parent Company's General Meeting of Shareholders, but it has not been approved – the arguments must be indicated in the decision of the Parent Company's General Meeting of Shareholders.
- 9.3. The Management Board of the Parent Company shall be responsible for the implementation of the Remuneration Policy.

Annex 6: Arguments regarding the proposal to approve the new wording of the Articles of Association

The Management Board of the Company proposes to the Annual General Meeting of Shareholders to approve the new wording of the Articles of Association of the Company with the following changes:

1. The amendments to the Law on Companies of the Republic of Lithuania, which entered into force on 30 November 2022, removed a mandatory obligation for listed companies to set out in their Articles of Association the criteria for assessing the materiality of related party transactions. In view of this, it is proposed that the Articles of Association remove the criteria for assessing the materiality of related party transactions, making a reference to the Law on Companies.

It should be noted that the Law on Companies supplements the competence of a supervisory body by stipulating that transactions regarding the investment, acquisition, transfer, lease, pledge and mortgage of assets, surety or guarantee for the fulfilment of obligations, which are entered into with a related party under normal market conditions in the ordinary course of business where the amount of a transaction or the aggregate amount of such transactions during the financial year exceeds 1/10 of the asset value shown in the most recent balance sheet of a public limited liability company whose shares are admitted to trading on a regulated market are periodically assessed for their compliance with these conditions in accordance with the procedure and conditions approved by the Supervisory Board or the Board which performs the supervisory functions set out in Article 34(11) of the Law on Companies.

In view of the above, it is proposed that the Articles of Association of the Company supplement the competence of the Supervisory Board of the Company by stipulating that the Supervisory Board of the Company shall approve the Policy on Related Party Transactions of the Company and the Company's group of companies, including the procedure and conditions for the assessment of related party transactions which are entered into under normal market conditions in the ordinary course of business, as laid down in Article 37²(11) of the Law on Companies.

2. For efficiency purposes, it is proposed to revise the competence of the Management Board of the Company and to provide that the Management Board of the Company shall consider and approve the procedure for concluding the transactions of the Company and the Company's group of companies. It is also proposed to merge transactions regarding the investment, transfer, lease, acquisition, pledge or mortgage of non-current assets into a single sub-article of the Articles of Association, thereby eliminating the division of these transactions into three separate sub-articles of the Articles of Association, and to merge the other transactions into a separate sub-article dedicated to other transactions.

With this amendment, the Articles of Association distinguish between (i) non-current asset transactions, (ii) transactions regarding the surety or guarantee for the fulfilment of obligations of other entities, and (iii) other transactions. It should be noted that it is proposed to revise the competence of the Management Board of the Company with respect to the above-mentioned transactions by stipulating that the Management Board of the Company shall adopt decisions on the conclusion of these transactions not only when their value and/or price exceeds EUR 3,000,000 but it may also be lower in cases set out in the procedure for concluding transactions which is approved by the Management Board.

3. It is proposed to supplement the provisions regarding the committees of the Supervisory Board of the Company:

- to clarify the term of the committees of the Supervisory Board of the Company by replacing "for a term of 4 (four) years" with "for a maximum term of 4 (four) years";
- also, to clarify the name of one of the committees of the Company's Supervisory Board by indicating that a Risk Management and Sustainability Committee is set up.

4. Other editorial changes have also been made: the numbering of articles has been revised, and concepts have been clarified, taking into account the provisions of the Law on the Protection of Objects of Importance to Ensuring National Security of the Republic of Lithuania.

Annex 7: New wording of the Articles of Association of AB “Ignitis grupė”

AB “IGNITIS GRUPĖ” ARTICLES OF ASSOCIATION

CHAPTER I GENERAL PROVISIONS

1. The name of the company shall be AB “Ignitis grupė” (hereinafter referred to as the Company).
2. The legal form of the Company shall be a public limited liability company.
3. The Company shall be an autonomous private legal entity with limited civil liability established for an unlimited period of time and operating under the laws of the Republic of Lithuania. The authorised capital of the Company is divided into parts called shares.
4. In carrying out its activities, the Company shall observe the Civil Code of the Republic of Lithuania, the Law on Companies of the Republic of Lithuania and other legislation regulating the activities of public limited companies, as well as these Articles of Association.
5. The Company, together with the legal entities which are either directly or indirectly controlled by it, shall constitute the Company’s group of companies. The Company is the parent company of the Company’s group of companies. The Company shall not be liable for the obligations of the Company’s group of companies, and the Company’s group of companies shall not be liable for the obligations of the Company.
6. The financial year of the Company shall correspond to the calendar year.
7. The bodies of the Company shall be the General Meeting of Shareholders (hereinafter referred to as the General Meeting), the head of the Company – the Chief Executive Officer of the Company (hereinafter referred to as the Chief Executive Officer), a collegial supervisory body of the Company – the Supervisory Board (hereinafter referred to as the Supervisory Board) and a collegial management body of the Company – the Management Board (hereinafter referred to as the Management Board).

CHAPTER II OBJECTIVES AND OBJECTS OF THE COMPANY’S ACTIVITIES

8. The objectives of the Company’s activities shall be: to carry out the functions of patronage of the Company’s group of companies and pursue the objectives of the Company’s group of companies as set out in the National Energy Independence Strategy, approved by the 26 June 2012 Resolution of the Seimas of the Republic of Lithuania No. XI-2133 “On the Approval of the National Energy Independence Strategy”, and in legal acts regulating the Company’s activities, by ensuring socially responsible enhancement of the long-term value of the Company’s group of companies.
9. The objects of the Company’s activities shall be:
 - 9.1. performance analysis of the companies of the Company’s group of companies, exercise of shareholder rights and obligations, setting of operational guidelines and operational rules, coordination of activities;
 - 9.2. provision of services to the companies of the Company’s group of companies and financing of the companies of the Company’s group of companies;
 - 9.3. representation of the Company’s group of companies.
10. The Company shall have the right to engage in activities which do not contradict the objectives of its activities and the laws of the Republic of Lithuania.
11. The bodies of the Company, in compliance with the provisions of laws, other legislation, these Articles of Association and the internal documents of the Company, must pursue the objectives of the Company’s activities

and act for the benefit of the Company and all shareholders of the Company. In carrying out its activities, the Company shall also seek an appropriate return on the capital invested by a shareholder.

12. The Company may be a participant in other legal entities (except for associations) only if approved by the General Meeting.

13. When managing the companies of the Company's group of companies, the Company shall determine the following of the companies of the Company's group of companies:

13.1. operational guidelines and operational rules;

13.2. annual financial plans;

13.3. annual rate of return on assets;

13.4. maximum amounts of debt obligations;

13.5. other activity parameters and shall address other issues regarding the management of the Company's group of companies, insofar as this is not contrary to law.

CHAPTER III AUTHORISED CAPITAL AND SHARES OF THE COMPANY

14. The authorised capital of the Company is EUR 1,616,445,476.80 (one billion six hundred and sixteen million four hundred and forty-five thousand four hundred and seventy-six euros and eighty cents), divided into 72,388,960 (seventy-two million three hundred eighty-eight thousand nine hundred sixty) ordinary registered shares with a nominal value of EUR 22.33 (twenty-two euros and thirty-three cents) per share.

15. The Company shall issue one class of shares – ordinary registered shares. All shares of the Company shall be uncertificated shares. The shares shall be recorded by entries in the personal securities accounts of the shareholders which shall be opened and maintained by the Company in accordance with the procedure established by the legal acts regulating the management of the securities accounts of shareholders. At the request of a shareholder, the Company must issue a statement from the securities account of the shareholder stating the number of shares and other information as prescribed by the legal acts regulating the activities of public limited companies.

CHAPTER IV SHAREHOLDERS AND THE RIGHTS OF SHAREHOLDERS

16. The shareholders of the Company shall have property and non-property rights as laid down in laws, other legislation and these Articles of Association.

17. The management bodies of the Company shall create appropriate conditions for the exercise of the rights of the shareholders of the Company.

CHAPTER V GENERAL MEETING

18. The procedure for convening the General Meeting is prescribed by the Law on Companies and these Articles of Association.

19. The competence of the General Meeting shall be:

19.1. to change the registered office of the Company;

19.2. to amend the Articles of Association of the Company, except where otherwise provided in the Law on Companies;

19.3. to elect and remove individual members of the Supervisory Board or the Supervisory Board;

19.4. to elect and remove an auditor or an audit firm for the audit of the financial statements of the Company and of the consolidated financial statements of the Company's group of companies, to set the terms and conditions of payment for audit services;

19.5. to determine the class, number, nominal value and minimum issue price of the shares issued by the Company;

19.6. to make decisions to convert the Company's shares from one class to another, to establish the share conversion procedure;

19.7. to approve the sets of annual financial statements of the Company and of annual consolidated financial statements of the Company's group of companies;

19.8. to approve the set of interim financial statements prepared for the purpose of adopting a decision on the allocation of dividends for a period shorter than the financial year;

19.9. to make decisions on the distribution of profit (loss);

19.10. to make decisions on the allocation of dividends for a period shorter than the financial year;

19.11. to make decisions on the formation, use, reduction and liquidation of reserves;

19.12. to make decisions to issue convertible bonds;

19.13. to make decisions to revoke the pre-emption right for all shareholders to acquire the Company's shares or convertible bonds of a specific issue;

19.14. to make decisions to increase the authorised capital;

19.15. to make decisions to reduce the authorised capital, except where otherwise provided in the Law on Companies;

19.16. to make decisions for the Company to acquire its own shares;

19.17. to make decisions on the reorganisation or separation of the Company and approve the terms and conditions of the reorganisation or separation, except where otherwise provided in the Law on Companies;

19.18. to make decisions to reorganise the Company;

19.19. to make decisions on the restructuring of the Company;

19.20. to make decisions to liquidate the Company, to cancel the liquidation of the Company, except where otherwise provided in the Law on Companies;

19.21. to elect and remove the liquidator of the Company, except where otherwise provided by law;

19.22. to make decisions on setting the terms and conditions of the contracts referred to in Articles 27 and 34 of these Articles of Association with the members of the Supervisory Board and the Chair of the Supervisory Board regarding activities in the Supervisory Board and on the establishment of confidential information and its protection as well as on the appointment of a person authorised to sign these contracts on behalf of the Company;

19.23. to make decisions on the payment of remuneration to independent members of the Supervisory Board and on the amount to be paid;

19.24. to approve or not to approve the annual report of the Company and the consolidated annual report of the Company's group of companies;

19.25. to approve or not to approve the decisions of the Management Board referred to in Articles 55.1 (except decisions on becoming a founder or participant of associations) and 55.5 of these Articles of Association;

19.26. to elect and remove the members of the Company's Audit Committee (hereinafter referred to as the Audit Committee) or the Audit Committee, ensuring that the majority of the members of the Audit Committee are independent members;

19.27. to make decisions on setting the terms and conditions of the contracts with the members and Chair of the Audit Committee regarding activities in the Audit Committee and regarding the protection of confidential information, as well as on the appointment of a person authorised to sign these contracts on behalf of the Company;

19.28. to approve the regulations of the Audit Committee;

19.29. to address other issues which fall within the competence of the General Meeting as provided for by the Law on Companies, its implementing legislation or these Articles of Association.

20. The General Meeting may adopt resolutions and shall be deemed to have taken place if it is attended by the shareholders who hold shares carrying more than 1/2 (half) of all the votes.

21. The resolution of the General Meeting shall be deemed to have been adopted when the number of votes cast by the shareholders in favour of the resolution exceeds the number of votes cast against it, except where otherwise provided in this Article. The decisions referred to in Articles 19.2, 19.5, 19.6, 19.9–19.12, 19.14, 19.15, 19.17–19.20 of these Articles of Association shall be made by adopting resolutions by the majority vote of 2/3 (two thirds) of the voting rights carried by the shares of the shareholders who participate in the General Meeting. The decision referred to in Article 19.13 of these Articles of Association shall be made by adopting a resolution by the majority vote of ¾ (three quarters) of the voting rights carried by the shares of the shareholders who participate in the General Meeting.

CHAPTER VI SUPERVISORY BOARD

22. The Supervisory Board is a collegial body of the Company supervising the activities of the Company.

23. The Supervisory Board shall consist of 7 (seven) members – natural persons. At least 1/2 (half) of the members of the Supervisory Board must be independent members. The Supervisory Board shall be elected by the General Meeting for a term of 4 (four) years. The Supervisory Board or its members shall begin and end their activities in accordance with the procedure and time limits established by the Law on Companies and its implementing legislation.

24. Supervisory Board members must comply with the requirements set forth in Article 26 of these Articles of Association.

25. Each candidate for the position of a member of the Supervisory Board must provide the General Meeting with written consent to stand as a candidate for the position of a member of the Supervisory Board and the candidate's declaration of interests, stating therein all circumstances which may give rise to a conflict of interest between the candidate and the Company. In the event of any new circumstances that could result in a conflict of interest between the member of the Supervisory Board and the Company, the member of the Supervisory Board must immediately notify the Supervisory Board and the shareholders in writing of such new circumstances.

26. The following cannot be a member of the Supervisory Board:

26.1. the Chief Executive Officer;

26.2. a member of the Management Board;

26.3. a member of the Management Board, the head or an administrative employee of a company of the Company's group of companies;

26.4. a member of the supervisory body, management body or an employee of the administration of a legal entity carrying out electricity or gas transmission activities;

26.5. an auditor or an employee of an audit firm who participates and/or has participated in the audit of the set of the Company's financial statements where less than 2 (two) years have elapsed since the audit was carried out;

26.6. a person who is not legally entitled to hold this office.

27. Contracts for activities in the Supervisory Board shall be entered into with the members of the Supervisory Board, which shall set out their rights, duties and responsibilities. By the decision of the General Meeting, independent members of the Supervisory Board shall be paid remuneration for activities in the Supervisory Board.

The terms and conditions of the contracts of the members of the Supervisory Board for activities in the Supervisory Board shall be set by the General Meeting.

28. A member of the Supervisory Board may resign from office prior to the expiration of his/her term of office by giving at least 14 (fourteen) days' written notice to the Company.

29. If a member of the Supervisory Board is removed from office, resigns or for any other reason ceases to hold office and the shareholders of the Company who hold shares carrying at least 1/10 (one tenth) of all votes oppose the election of individual members of the Supervisory Board, the Supervisory Board is deprived of its powers and the entire Supervisory Board shall be elected. If individual members of the Supervisory Board are elected, they shall be elected only until the end of the term of office of the existing Supervisory Board.

30. The Supervisory Board shall be chaired by its Chair whom the Supervisory Board shall elect from among its members. The Chair of the Supervisory Board shall convene and chair the meetings of the Supervisory Board. If the Chair of the Supervisory Board is absent or cannot hold office, the meetings of the Supervisory Board shall be convened and chaired by the oldest member of the Supervisory Board.

31. The Supervisory Board shall have the following competence:

31.1. to consider and approve the operational strategy, annual budget and investment policy of the Company and of the Company's group of companies, to analyse and assess information on the implementation of the operational strategy of the Company, to provide this information to the Ordinary General Meeting;

31.2. to elect and remove the members of the Management Board;

31.3. to supervise the activities of the Management Board and the Chief Executive Officer;

31.4. to submit comments and proposals to the General Meeting regarding the operational strategy of the Company and of the Company's group of companies, regarding a set of annual financial statements of the Company and a set of annual consolidated financial statements of the Company's group of companies, regarding the draft distribution of the Company's profit (loss), the annual report of the Company and the consolidated annual report of the Company's group of companies, as well as regarding the activities of the Management Board and the Chief Executive Officer;

31.5. to submit comments and proposals to the General Meeting regarding a draft decision on the allocation of dividends for a period shorter than the financial year, the set of interim financial statements and the interim report prepared for the purpose of adopting the said decision;

31.6. to submit proposals to the Management Board and the Chief Executive Officer to revoke their decisions which are in conflict with laws and other legislation, these Articles of Association or the decisions of the General Meeting;

31.7. to adopt decisions on setting the terms and conditions of the contracts referred to in Article 45 of these Articles of Association with the members of the Management Board regarding activities in the Management Board, including remuneration for work in the Management Board, and on the appointment of a person authorised to sign these contracts on behalf of the Company;

31.8. to make proposals and recommendations regarding the organisation of the activities and the financial situation of the Company's group of companies as well as regarding the decisions of the supervisory or management bodies of the Company's group of companies;

31.9. to submit comments and proposals to the Management Board regarding the Company's operational plan;

31.10. upon the proposal of the Management Board and/or the Chief Executive Officer, to make decisions on the appointment and dismissal of the head of the structural unit performing the internal audit functions of the Company, the approval of his/her job description, the provision of incentives for and the imposition of penalties on him/her;

31.11. to submit an opinion to the Management Board on the nominations of the Chief Executive Officer and of the members of the management and/or supervisory bodies of AB "Energijos skirstymo operatorius", AB "Ignitis gamyba", UAB "Ignitis" and UAB "Ignitis renewables";

31.12. at the request of the Management Board and/or the Chief Executive Officer, to submit comments and proposals regarding the decisions adopted or planned to be adopted by the Management Board and/or by the Chief Executive Officer;

31.13. to consider and submit proposals regarding the auditor or audit firm elected by the General Meeting and regarding the terms and conditions of payment for audit services;

31.14. taking into consideration the opinion of the Company's Audit Committee, to make decisions regarding the Company's transactions planned to be entered into with a related party, as laid down in the Law on Companies;

31.15. to approve the Policy on Related Party Transactions of the Company and the Company's group of companies, including the procedure and conditions for the assessment of related party transactions which are entered into under normal market conditions in the ordinary course of business, as laid down in Article 37²(11) of the Law on Companies;

31.16. to provide comments and proposals to the General Meeting of Shareholders and the Management Board on the Company's draft remuneration policy and draft remuneration report;

31.17. to deal with other issues relating to the supervision of the activities of the management bodies of the Company and of the companies of the Company's group of companies which are within the competence of the Supervisory Board as stipulated in the Law on Companies, these Articles of Association and the decisions of the General Meeting.

32. The Supervisory Board shall not be entitled to delegate or transfer the functions which fall within its competence, as stipulated by law and in these Articles of Association, to other bodies of the Company.

33. The Supervisory Board shall have the right to request the Management Board and the Chief Executive Officer to submit documents and information related to the activities of the Company and of the Company's group of companies while the Management Board and the Chief Executive Officer must ensure that such documents and information are submitted to the Supervisory Board within a reasonable time limit.

34. The members of the Supervisory Board must safeguard confidentiality of any commercial (industrial) secrets and confidential information of the Company and of the Company's group of companies which become known to them when they are members of the Supervisory Board. Contracts for the protection of confidential information shall be entered into with the members of the Supervisory Board, the terms and conditions of which shall be approved by the General Meeting.

35. The adoption of the decisions of the Supervisory Board shall be as follows:

35.1. The rules of procedure of the Supervisory Board shall be laid down by the Rules of Procedure of the Supervisory Board adopted by the Supervisory Board.

35.2. The Supervisory Board shall adopt decisions at the meetings of the Supervisory Board. Minutes shall be taken of the meetings of the Supervisory Board.

35.3. The meetings of the Supervisory Board shall take place at least quarterly. The meetings of the Supervisory Board shall be convened by the Chair of the Supervisory Board. The meetings of the Supervisory Board may also be convened by the decision of at least 1/3 (one third) of the members of the Supervisory Board. The Supervisory Board must enable the members of the Management Board, the Chief Executive Officer, the heads of the structural units of the Company and/or the members of the supervisory or management bodies of the companies of the Company's group of companies to attend its meetings and must provide explanations to them when addressing the issues related to their activities.

35.4. In the event of the resignation or removal of one or more members of the Management Board, the Chair of the Management Board or the entire Management Board, a meeting of the Supervisory Board shall be

convened at which new members of the Management Board or the entire Management Board shall be elected respectively.

35.5. The Supervisory Board may adopt decisions and its meeting shall be deemed to have been held when more than 1/2 (half) of the members of the Supervisory Board attend the meeting.

35.6. The decision of the Supervisory Board shall be deemed to have been adopted if the majority of the members of the Supervisory Board attending the meeting vote in its favour. In the event of a tie, the Chair of the Supervisory Board shall have the casting vote. The decision to remove a member of the Management Board may be adopted if at least 2/3 (two thirds) of the members of the Supervisory Board attending the meeting vote in its favour.

35.7. The members of the Supervisory Board must attend the meetings of the Supervisory Board and vote in favour of or against each issue considered. A member of the Supervisory Board shall not be entitled to refuse to vote or abstain from voting, unless there is a potential conflict of interest between the member of the Supervisory Board and the Company or on any other grounds provided by legal acts or these Articles of Association. A member of the Supervisory Board shall have the right to grant a written power of attorney to another member of the Supervisory Board to represent him/her in voting at the meeting of the Supervisory Board.

35.8. The members of the Supervisory Board who are unable to attend the meeting of the Supervisory Board directly must vote in advance in writing or by electronic means if the security of information transmitted is ensured and the person who voted can be identified. The members of the Supervisory Board who voted in advance shall be deemed to have participated at the meeting of the Supervisory Board.

36. The Company must ensure appropriate working conditions for the Supervisory Board and the members of the Supervisory Board in the Supervisory Board and must provide technical and organisational means necessary for work. The functions of servicing the meetings of the Supervisory Board shall be performed by the Company's employees responsible for organising the decision-making of the management and supervisory bodies, or other employees appointed by the Chief Executive Officer.

37. The committees of the Supervisory Board:

37.1. The Nomination and Remuneration Committee and the Risk Management and Sustainability Committee (hereinafter referred to as the Committees) shall be formed and operate in accordance with the regulations of the Committees approved by the Supervisory Board. Other committees may be set up if necessary. The functions and operational guidelines of the Committees shall be established and approved by the Supervisory Board.

37.2. The Committees shall examine the issues assigned to their competence in the regulations of the Committees and the issues referred to a relevant Committee by the Supervisory Board and shall submit proposals to the Supervisory Board on these issues. The Supervisory Board, taking into account the proposals of the Committees, shall adopt decisions within its competence and shall be responsible for these decisions.

37.3. The Committees shall be set up by the decision of the Supervisory Board for a maximum term of 4 (four) years of at least 3 (three) members. Where individual members of the Committee are elected, they shall be elected only until the end of the term of office of the existing Committee. The members of the Committees shall be subject to the restrictions set out in Article 26 of these Articles of Association. At least 1/3 (one third) of the members of the relevant Committee must be independent, unless legal acts provide for a larger number of independent members. A member of the Supervisory Board shall be appointed to hold the office of the Chair of the Committee. If a member of the Supervisory Board is removed from office, resigns or for any other reason ceases to be a member of the Supervisory Board, he/she shall be deprived of his/her office in the Committee.

37.4. The Committees shall prepare and submit a report on their activities to the Supervisory Board at least every 6 (six) months.

37.5. Contracts for activities in a relevant Committee which, *inter alia*, set out the rights, duties and responsibilities of the members of the Committee may be entered into with the members of the Committees. By the decision of the Supervisory Board, independent members of the Committees may be paid remuneration which cannot exceed the amount of remuneration for an independent member of the Supervisory Board for activities in the Supervisory Board as set by the General Meeting. The Supervisory Board shall set the terms and conditions of the contracts for activities in the Committee for the members of the Committees.

CHAPTER VII MANAGEMENT BOARD

38. The Management Board is a collegial management body of the Company.

39. The Management Board shall be elected and removed by the Supervisory Board in accordance with the procedure set forth in these Articles of Association and legal acts. The Management Board shall be accountable to the Supervisory Board and the General Meeting.

40. The Management Board shall consist of 5 (five) members elected for a term of 4 (four) years. The Management Board and its members shall commence and terminate their activities in accordance with the procedure and within the time limits established by the Law on Companies and other legal acts.

41. The members of the Management Board must comply with the requirements set forth in Article 43 of these Articles of Association.

42. Each candidate for the position of a member of the Management Board must provide the Supervisory Board with written consent to stand as a candidate for the position of a member of the Management Board and the candidate's declaration of interests, stating therein all circumstances which may give rise to a conflict of interest between the candidate and the Company. In the event of any new circumstances that could result in a conflict of interest between the member of the Management Board and the Company, the member of the Management Board must immediately notify the Management Board and the Supervisory Board in writing of such new circumstances.

43. The following cannot be a member of the Management Board:

43.1. a person referred to in Articles 26.4 and 26.5 of these Articles of Association;

43.2. a member of the Supervisory Board;

43.3. a member of the Committee;

43.4. a person who is not legally entitled to hold such office.

44. The members of the Management Board cannot do any other work or hold any other positions which are incompatible with their activities in the Management Board, including executive positions in other legal entities (except for positions within the Company and the Company's group of companies), work in civil service or statutory service. The members of the Management Board may hold other office or do other work, except for positions within the Company and other legal entities of which the Company is a member, and may carry out pedagogical, creative or authorship activities only with the prior consent of the Supervisory Board.

45. Contracts for activities in the Management Board shall be entered into with the members of the Management Board before they take office, which shall set out their rights (including the right to remuneration for activities in the Management Board if a decision to pay such remuneration is adopted), duties and responsibilities. The Supervisory Board shall set the terms and conditions of the contracts for activities in the Management Board.

46. The Management Board shall elect the Chair of the Management Board from its members.

47. If the Management Board is removed from office, resigns or for any other reason ceases to hold office before the expiry of the term of office, a new Management Board shall be elected for a new term of office of the Management Board. Individual members of the Management Board shall only be elected until the end of the term of office of the existing Management Board.

48. A member of the Management Board may resign from office before the end of his/her term of office by giving at least 14 (fourteen) days' written notice to the Company in accordance with the procedure laid down by law.

49. The competence of the Management Board, the procedure for decision-making and election and removal of the members of the Management Board are established by the Law on Companies, its implementing legal acts, these Articles of Association and the Rules of Procedure of the Management Board.

50. The Management Board shall consider and approve:

50.1. the operational plan of the Company;

50.2. the remuneration report of the Company;

50.3. the management (organisational) structure of the Company, the list of positions and the maximum number of posts;

50.4. positions to which employees are recruited on a competition basis;

50.5. the regulations of the Company's branches and representative offices;

50.6. the list of confidential information and commercial (industrial) secrets;

50.7. the procedure for concluding transactions of the Company and the Company's group of companies.

51. The Management Board shall analyse and assess:

51.1. the draft operational strategy of the Company and of the Company's group of companies submitted by the Chief Executive Officer and information about the implementation of the operational strategy of the Company and of the Company's group of companies;

51.2. the organisation of the activities of the Company and of the Company's group of companies;

51.3. the financial situation of the Company and of the Company's group of companies;

51.4. the results of the economic activities of the Company, its income and expenditure estimates, inventory data and other accounting data on changes in assets;

51.5 draft remuneration policy submitted by the Chief Executive Officer;

51.6 the annual budgets of the Company and of the Company's group of companies and shall submit them to the Company's Supervisory Board for approval.

52. The Management Board shall consider and approve the annual report of the Company, the consolidated annual report of the Company's group of companies, the interim report and shall analyse and assess a set of annual financial statements of the Company, a set of consolidated annual financial statements of the Company's group of companies, a set of interim financial statements of the Company prepared for the purpose of adopting a decision on the allocation of dividends for a period shorter than the financial year, the draft distribution of the Company's profit (loss) and a draft decision regarding dividends for a period shorter than the financial year and shall submit these documents to the Supervisory Board and the General Meeting.

53. The Management Board shall adopt decisions on the conclusion of the following transactions (except for cases where transactions meeting the criteria set out below are provided for in the operational budget of the Company):

53.1. acquisition, investment, transfer, lease of non-current assets with a book value which exceeds EUR 3,000,000 (three million) or is lower (in cases specified in the procedure for concluding transactions which is approved by the Management Board) (calculated separately for each type of transaction), pledge or mortgage thereof (calculated for the total amount of transactions);

53.2. surety or guarantee for the fulfilment of obligations of other entities if the amount exceeds EUR 3,000,000 (three million) or is lower (in cases specified in the procedure for concluding transactions which is approved by the Management Board);

53.3. conclusion of other transactions specified in the procedure for concluding transactions which is approved by the Management Board.

54. When adopting the decisions referred to in Article 53 of these Articles of Association, the Management Board shall approve the material terms and conditions of these transactions.

55. The Management Board shall adopt decisions regarding:

55.1. the Company becoming a founder or participant of other legal entities;

55.2. the establishment of branches and representative offices of the Company;

55.3. the approval of nominations for members of the supervisory and/or management bodies of the companies of the Company's group of companies and of the Company's branches and representative offices having regard to the opinion provided by the Supervisory Board when it is provided in accordance with Article 31.11 of these Articles of Association;

55.4. the approval of the Articles of Association of companies in which the Company is a shareholder;

55.5. the following of the companies of the Company's group of companies which have the status of companies of importance to national security and engage in generation, distribution and supply activities in the energy sector as well as of companies directly managed by the Company which engage in activities in the energy generation sector:

55.5.1. transfer, pledge, other restriction or disposal of shares or rights attached thereto;

55.5.2. increase or reduction of the authorised capital or other actions that may alter the structure of the authorised capital (e.g. issue of convertible bonds);

55.5.3. reorganisation, separation, restructuring, liquidation, transformation or other actions changing the status of these companies;

55.5.4. transfer of business or a substantial part of it;

55.6. the issues of setting and managing the operational guidelines and rules of the companies of the Company's group of companies, common policies, annual financial plans, annual rate of return on assets and maximum amounts of debt obligations of the Company's group of companies as well as other operational parameters of the companies of the Company's group of companies;

55.7. participation and voting in the General Meetings of Shareholders of the companies of which the Company is a shareholder. The Management Board shall appoint a person to implement the decision of the Management Board at a General Meeting of Shareholders.

56. The Management Board shall adopt decisions:

56.1. to issue the Company's bonds (except for convertible bonds);

56.2. to establish the procedure for granting the support of the Company;

56.3 regarding other issues which fall within the competence of the Management Board as well as issues (including issues concerning the conclusion of transactions) which are referred to the Management Board by the Chief Executive Officer.

57. Decisions of the Management Board referred to in Articles 55.1 (except decisions on becoming a founder or participant of associations) and 55.5 (except decisions on the increase or reduction of the authorised capital of companies directly managed by the Company which do not have the status of companies of importance to national security and engage in activities in the energy generation sector) of these Articles of Association shall require the approval of the General Meeting.

58. If these Articles of Association, the Law on Companies or other legal acts require the approval of the General Meeting for decisions of the Management Board, decisions of the Management Board can be implemented only after the approval of the General Meeting has been obtained. The approval of the General Meeting shall not eliminate the responsibility of the Management Board for the decisions adopted.

59. The Management Board shall be responsible for convening and organising the General Meetings in a timely manner.

60. The Management Board, taking into consideration the opinion of the Supervisory Board, shall elect and remove the Chair of the Management Board and the Chief Executive Officer, shall determine the Chief Executive Officer's salary, other terms and conditions of his/her employment contract, approve his/her job description, provide incentives for and impose penalties on him/her in accordance with the procedure laid down in the Law on Companies, its implementing legal acts and these Articles of Association.

61. The Chair of the Management Board elected by the Management Board shall also be appointed as the Chief Executive Officer. If the Chief Executive Officer is removed from office, he/she shall also be removed from the office of the Chair of the Management Board.

62. All members of the Management Board shall have equal rights and obligations.

63. The Management Board shall act in accordance with the legal acts regulating the activities of companies, these Articles of Association, the decisions of the General Meeting and the Supervisory Board as well as the Rules of Procedure of the Management Board.

64. The members of the Management Board must safeguard confidentiality of any commercial (industrial) secrets and confidential information of the Company and the Company's group of companies which become known to them when they are members of the Management Board.

65. The adoption of the Management Board decisions and the rules of procedure shall be as follows:

65.1. The rules of procedure of the Management Board shall be laid down by the Rules of Procedure of the Management Board adopted by the Management Board.

65.2. Each member of the Management Board shall be responsible for the analysis of issues which fall within his/her competence – the area of supervision directly related to the work in the Management Board – in respect of which a decision has to be adopted and for the provision of all necessary information to other members of the Management Board in order for the necessary decisions of the Management Board to be adopted in a timely manner. The specific areas of supervision of the members of the Management Board shall be defined in the Rules of Procedure of the Management Board.

65.3. The Management Board shall adopt its decisions in the Management Board meetings. Minutes shall be taken of the meetings of the Management Board. The Management Board shall organise its activities in accordance with the procedure laid down in the Rules of Procedure of the Management Board.

65.4. Meetings of the Management Board must be held at least once every 2 (two) weeks if the Rules of Procedure of the Management Board do not establish otherwise.

65.5. If the Chief Executive Officer resigns or is removed, the Management Board shall immediately decide on the removal of the Chair of the Management Board.

65.6. Meetings of the Management Board shall be convened and chaired by the Chair of the Management Board. In the absence of the Chair of the Management Board, the oldest member of the Management Board shall convene and chair the meetings of the Management Board.

65.7. The Management Board may adopt decisions and its meeting shall be deemed to have been held when at least 4 (four) members of the Management Board attend the meeting. The members of the Management Board who voted in advance shall be deemed to be present at the meeting.

65.8. The decision of the Management Board shall be deemed to have been adopted if the majority of the members of the Management Board attending the meeting vote in its favour. In the event of a tie, the Chair of the Management Board shall have the casting vote.

65.9. The members of the Management Board must attend the meetings of the Management Board and vote in favour of or against each issue considered. A member of the Management Board shall not be entitled to refuse to vote or abstain from voting unless there is a potential conflict of interest between the member of the Management Board and the Company. A member of the Management Board has the right to grant a written power

of attorney to another member of the Management Board to represent him/her in voting at the meeting of the Management Board.

65.10. The members of the Management Board who are unable to attend a meeting of the Management Board directly must give prior written notice thereof or vote in advance in writing or by electronic means if the security of information transmitted is ensured and the person who voted can be identified.

66. The Company must ensure appropriate working conditions for the Management Board and the members of the Management Board in the Management Board by providing technical and organisational means necessary for work. The meetings of the Management Board shall be serviced by the Company's employees responsible for the organisation of the decision-making of the management and supervisory bodies, or other employees appointed by the Chief Executive Officer.

CHAPTER VIII CHIEF EXECUTIVE OFFICER

67. The Chief Executive Officer is a single-person management body of the Company.

68. The Chief Executive Officer shall act on behalf of the Company and enter into transactions at his/her own discretion, except where otherwise provided in the Law on Companies, its implementing legislation and these Articles of Association.

69. The competence of the Chief Executive Officer, the procedure for election and removal and the terms of office are laid down in the Law on Companies, its implementing legislation and these Articles of Association.

70. The Chief Executive Officer shall take office from the date of his/her election unless provided otherwise in the employment contract entered into with the Chief Executive Officer. The employment contract with the Chief Executive Officer shall be signed by a member of the Management Board authorised by the Management Board.

71. The Chief Executive Officer shall have the right to resign from office by informing the Management Board and the Supervisory Board in writing.

72. The Chief Executive Officer shall act in accordance with laws, other legal acts, these Articles of Association, the decisions of the General Meeting, the decisions of the Supervisory Board and the Management Board as well as his/her job description.

73. The Chief Executive Officer must safeguard confidentiality of any commercial (industrial) secrets and confidential information of the Company which become known to him/her in the performance of his/her duties in the Company.

74. The Chief Executive Officer shall:

74.1. manage the Company;

74.2. organise day-to-day activities of the Company;

74.3. ensure the implementation of the Company's operational strategy;

74.4. implement the decisions of the Management Board;

74.5. make decisions regulating the activities of the Company;

74.6. recruit and dismiss employees, enter into and terminate employment contracts with them, incentivise them and impose penalties on them;

74.7. open and close accounts in banks or other institutions of payment service providers and dispose of the Company's funds therein;

74.8. issue authorisations and procurations;

74.9. ensure the protection of the Company's property/assets, the creation of appropriate working conditions for the Company's employees, the protection of the Company's commercial secrets and confidential information;

74.10. submit proposals to the Management Board regarding the annual budgets of the Company and of the Company's group of companies;

74.11. enter into a service provision contract with an auditor or an audit firm and ensure the submission of the Company's documents required for the audit to be carried out;

74.12. be responsible for:

74.12.1. preparation of the sets of annual financial statements of the Company and of annual consolidated financial statements of the Company's group of companies, preparation of the annual report of the Company and the consolidated annual report of the Company's group of companies;

74.12.2. drafting a decision on the allocation of dividends for a period shorter than the financial year, preparation of a set of interim financial statements and preparation of the interim report for the purpose of adopting a decision on the allocation of dividends for a period shorter than the financial year;

74.12.3. management of shareholders' personal securities accounts and registration of the owners of certificated shares in the Company, except where accounting for uncertificated shares is delegated to account managers;

74.12.4. submitting information and documents to the General Meeting, the Supervisory Board and the Management Board in cases stipulated by the Law on Companies or at their request;

74.12.5. submitting the Company's documents and data to the manager of the Register of Legal Entities;

74.12.6. submitting the documents of the Company to the Bank of Lithuania and the Central Securities Depository;

74.12.7. public disclosure of information as prescribed by the Law on Companies in the source specified in these Articles of Association;

74.12.8. submitting information to shareholders;

74.12.9. preparation of the draft annual budgets of the Company and the Company's group of companies;

74.12.10. drafting the remuneration policy and the remuneration report and making the approved remuneration policy and remuneration report publicly available on the Company's website;

74.13. perform other functions set forth in laws, these Articles of Association, the decisions of the General Meeting, the decisions of the Supervisory Board and the Management Board as well as the job description of the Chief Executive Officer and address other issues relating to the activities of the Company which do not fall within the competence of other bodies of the Company under law and these Articles of Association.

75. The Chief Executive Officer shall participate and vote in the General Meetings of Shareholders of the companies of which the Company is a shareholder unless the Management Board delegates the implementation of the decisions of the Management Board regarding participation and voting in the General Meetings of Shareholders to another person.

76. If, under law or these Articles of Association, the decision and/or approval of the General Meeting and/or the Management Board is required for the conclusion of the Company's transactions or for the adoption of other decisions, the Chief Executive Officer may enter into the Company's transactions or adopt other decisions when such a decision and/or approval of the General Meeting and/or the Management Board has been made.

CHAPTER IX AUDIT COMMITTEE

77. The Audit Committee shall consist of 5 (five) members appointed by the General Meeting for a maximum period of 4 (four) years, ensuring that the majority of the members of the Audit Committee are independent members. Two candidates for the Audit Committee shall be nominated by the Supervisory Board.

78. The Audit Committee shall elect the Chair of the Audit Committee from among its independent members.

79. The members of the Audit Committee must comply with the independence, qualification and other requirements specified in Resolution No. 03-14 of the Board of the Bank of Lithuania “Regarding the Approval of the Description of Requirements for Audit Committees” of 24 January 2017.

80. The Audit Committee shall be responsible for the preparation and submission of objective conclusions or proposals to the Company on the operation of the audit and internal control system in the Company’s group of companies.

81. The competence of the Audit Committee shall include, but shall not be limited to:

81.1. monitoring the financial reporting and auditing processes of the companies of the Company’s group of companies;

81.2. monitoring compliance with the principle of independence of auditors and audit firms of the companies of the Company’s group of companies;

81.3. monitoring the effectiveness of the internal control, risk management and internal audit systems and processes of the companies of the Company’s group of companies;

81.4. preparation and submission of recommendations to the Company regarding the selection, appointment, re-appointment and removal of an external audit company and the terms and conditions of the contract with the external audit company;

81.5. ensuring the effectiveness of the internal audit function in the Company’s group of companies;

81.6. providing an opinion to the Company on transactions with related parties as stipulated in Article 37² of the Law on Companies.

82. The Audit Committee shall act as the audit committee of the Company’s group of companies as a whole.

83. The regulations of the Audit Committee shall be approved by the General Meeting.

CHAPTER X PLANNING OF THE COMPANY’S ACTIVITY, AUDIT AND FINANCES

84. The activity of the Company and the Company’s group of companies shall be planned through the preparation of the annual budgets of the Company and the Company’s group of companies, which shall be approved by the Supervisory Board. The Chief Executive Officer shall be responsible for the preparation of the draft annual budgets of the Company and the Company’s group of companies.

85. A set of financial statements of the Company and a set of consolidated financial statements of the Company’s group of companies must be prepared in accordance with International Financial Reporting Standards. The General Meeting shall have the exclusive right to select and remove an auditor or an audit firm and to set the terms and conditions of payment for audit services.

86. The structural unit performing the internal audit functions of the Company shall be accountable to the Supervisory Board.

CHAPTER XI PUBLICATION OF NOTICES

87. The Company’s notices on convening the General Meeting and regulated information as defined in the Law on Securities of the Republic of Lithuania, which the Company is required to disclose under the Law on Securities, shall be published in the Central Database of Regulated Information and on the Company’s website in accordance with the procedure laid down in this Law.

88. Other information and notices not specified in Article 87 of the Articles of Association, which the Company must make public, shall be published in the electronic publication for public notices issued by the manager of the Register of Legal Entities in accordance with the procedure laid down by the Government.

CHAPTER XII
**PROCEDURE FOR PROVIDING DOCUMENTS AND OTHER INFORMATION TO SHAREHOLDERS,
THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD**

89. At the written request of a shareholder, the Company must, no later than within 7 (seven) days from the date of receipt of the request, make the following documents available to the shareholder: these Articles of Association, a set of annual financial statements of the Company and a set of annual and interim consolidated financial statements of the Company's group of companies, the annual and interim reports of the Company and consolidated annual reports of the Company's group of companies, the auditor's reports, audit reports on financial statements, minutes of the General Meetings and of the meetings of the Supervisory Board and the Management Board or other documents which formalise the decisions of the bodies of the Company, the Supervisory Board's proposals or comments to the General Meeting, lists of shareholders, lists of the members of the Supervisory Board and the Management Board as well as other documents of the Company which are required to be made public by law unless such documents contain any commercial (industrial) secret or confidential information, and/or must provide the shareholder with copies of the above-mentioned documents.

90. The Company must provide a shareholder with access to all other information of the Company that is not specified in Article 89 of these Articles of Association, which, at the request of the shareholder, must be systematised according to the reasonable criteria specified by the shareholder and/or must provide copies of documents if such information and documents, including information and documents relating to the Company's commercial (industrial) secret and confidential information, are necessary for the shareholder to fulfil the requirements set out in other legal acts and the shareholder safeguards confidentiality of such information and documents. The Company shall refuse to provide copies of documents to the shareholder if it is not possible to identify the shareholder who requested the documents. The refusal to provide the shareholder with access and/or submit copies of documents shall be documented by the Company in writing if the shareholder so requests.

91. Any member of the Supervisory Board or the Management Board shall have the right of access to all documents of the Company and of the companies of the Company's group of companies as well as to all information of the Company and of the companies of the Company's group of companies (including information on the draft decisions of the management bodies that have not been adopted yet and information on the planned transactions and investments), which, at the request of the person receiving the information, must be systematised according to the reasonable criteria specified by such person. If the Company does not have the documents or information of the companies of the Company's group of companies requested by the members of the Supervisory Board or the Management Board, the Chief Executive Officer must take immediate action in order for the Company to obtain such documents or information. Information and documents provided in accordance with this Article must be submitted immediately, but no later than within 5 (five) working days from the date of receipt of the respective request. The entities referred to in this Article shall have the right to demand and the Company shall have the duty to ensure that certain specific information and documents are provided periodically without a separate request from the relevant entity.

92. All information and documents specified in Articles 89–91 of these Articles of Association shall be provided to the shareholders, the members of the Supervisory Board and the Management Board free of charge.

CHAPTER XIII
BRANCHES AND REPRESENTATIVE OFFICES OF THE COMPANY

93. The branches and/or representative offices of the Company shall be established and their activities shall be terminated by decision of the Management Board. The number of the branches and/or representative offices of the Company shall be unlimited.

94. The branches and/or representative offices of the Company shall operate according to the regulations of the branches and/or representative offices approved by the Management Board.

95. The heads of the branches and/or representative offices of the Company shall be appointed and removed in accordance with Article 53.3 of these Articles of Association and the regulations of the branches and/or representative offices approved by the Management Board.

CHAPTER XIV FINAL PROVISIONS

96. These Articles of Association of the Company shall be amended in accordance with the procedure laid down in the Law on Companies.

97. When the General Meeting makes a decision to amend these Articles of Association of the Company, the full text of the amended Articles of Association shall be drawn up and signed by a person authorised by the General Meeting of Shareholders.

98. These Articles of Association shall become effective as of the date of their registration in the Register of Legal Entities.

99. In the event of any changes in the provisions of laws which result in any conflict between the provisions of these Articles of Association and the changed laws, the laws must be followed until the Articles of Association of the Company are amended.

The Articles of Association were signed

The person authorised by the General Meeting:

Chief Executive Officer

Darius Maikštėnas

Annex 8: New wording of the Articles of Association of AB “Ignitis grupė” (comparative version)

AB “IGNITIS GRUPĖ” ARTICLES OF ASSOCIATION

CHAPTER I GENERAL PROVISIONS

1. The name of the company shall be AB “Ignitis grupė” (hereinafter referred to as the Company).
2. The legal form of the Company shall be a public limited liability company.
3. The Company shall be an autonomous private legal entity with limited civil liability established for an unlimited period of time and operating under the laws of the Republic of Lithuania. The authorised capital of the Company is divided into parts called shares.
4. In carrying out its activities, the Company shall observe the Civil Code of the Republic of Lithuania, the Law on Companies of the Republic of Lithuania and other legislation regulating the activities of public limited companies, as well as these Articles of Association.
5. The Company, together with the legal entities which are either directly or indirectly controlled by it, shall constitute the Company’s group of companies. The Company is the parent company of the Company’s group of companies. The Company shall not be liable for the obligations of the Company’s group of companies, and the Company’s group of companies shall not be liable for the obligations of the Company.
6. The financial year of the Company shall correspond to the calendar year.
7. The bodies of the Company shall be the General Meeting of Shareholders (hereinafter referred to as the General Meeting), the head of the Company – the Chief Executive Officer of the Company (hereinafter referred to as the Chief Executive Officer), a collegial supervisory body of the Company – the Supervisory Board (hereinafter referred to as the Supervisory Board) and a collegial management body of the Company – the Management Board (hereinafter referred to as the Management Board).

CHAPTER II OBJECTIVES AND OBJECTS OF THE COMPANY’S ACTIVITIES

8. The objectives of the Company’s activities shall be: to carry out the functions of patronage of the Company’s group of companies and pursue the objectives of the Company’s group of companies as set out in the National Energy Independence Strategy, approved by the 26 June 2012 Resolution of the Seimas of the Republic of Lithuania No. XI-2133 “On the Approval of the National Energy Independence Strategy”, and in legal acts regulating the Company’s activities, by ensuring socially responsible enhancement of the long-term value of the Company’s group of companies.
9. The objects of the Company’s activities shall be:
 - 9.1. performance analysis of the companies of the Company’s group of companies, exercise of shareholder rights and obligations, setting of operational guidelines and operational rules, coordination of activities;
 - 9.2. provision of services to the companies of the Company’s group of companies and financing of the companies of the Company’s group of companies;
 - 9.3. representation of the Company’s group of companies.
10. The Company shall have the right to engage in activities which do not contradict the objectives of its activities and the laws of the Republic of Lithuania.
11. The bodies of the Company, in compliance with the provisions of laws, other legislation, these Articles of Association and the internal documents of the Company, must pursue the objectives of the Company’s activities

and act for the benefit of the Company and all shareholders of the Company. In carrying out its activities, the Company shall also seek an appropriate return on the capital invested by a shareholder.

~~12.~~ The Company may be a participant in other legal entities (except for associations) only if approved by the General Meeting.

~~12.13.~~ When managing the companies of the Company's group of companies, the Company shall determine the following of the companies of the Company's group of companies:

~~132.1.~~ operational guidelines and operational rules;

~~132.2.~~ annual financial plans;

~~132.3.~~ annual rate of return on assets;

~~132.4.~~ maximum amounts of debt obligations;

~~132.5.~~ other activity parameters and shall address other issues regarding the management of the Company's group of companies, insofar as this is not contrary to law.

CHAPTER III AUTHORISED CAPITAL AND SHARES OF THE COMPANY

~~43.14.~~ The authorised capital of the Company is EUR 1,616,445,476.80 (one billion six hundred and sixteen million four hundred and forty-five thousand four hundred and seventy-six euros and eighty cents), divided into 72,388,960 (seventy-two million three hundred eighty-eight thousand nine hundred sixty) ordinary registered shares with a nominal value of EUR 22.33 (twenty-two euros and thirty-three cents) per share.

~~44.15.~~ The Company shall issue one class of shares – ordinary registered shares. All shares of the Company shall be uncertificated shares. The shares shall be recorded by entries in the personal securities accounts of the shareholders which shall be opened and maintained by the Company in accordance with the procedure established by the legal acts regulating the management of the securities accounts of shareholders. At the request of a shareholder, the Company must issue a statement from the securities account of the shareholder stating the number of shares and other information as prescribed by the legal acts regulating the activities of public limited companies.

CHAPTER IV SHAREHOLDERS AND THE RIGHTS OF SHAREHOLDERS

~~45.16.~~ The shareholders of the Company shall have property and non-property rights as laid down in laws, other legislation and these Articles of Association.

~~46.17.~~ The management bodies of the Company shall create appropriate conditions for the exercise of the rights of the shareholders of the Company.

CHAPTER V GENERAL MEETING

~~47.18.~~ The procedure for convening the General Meeting is prescribed by the Law on Companies and these Articles of Association.

~~48.19.~~ The competence of the General Meeting shall be:

~~198.1.~~ to change the registered office of the Company;

~~198.2.~~ to amend the Articles of Association of the Company, except where otherwise provided in the Law on Companies;

~~198.3.~~ to elect and remove individual members of the Supervisory Board or the Supervisory Board;

198.4. to elect and remove an auditor or an audit firm for the audit of the financial statements of the Company and of the consolidated financial statements of the Company's group of companies, to set the terms and conditions of payment for audit services;

198.5. to determine the class, number, nominal value and minimum issue price of the shares issued by the Company;

198.6. to make decisions to convert the Company's shares from one class to another, to establish the share conversion procedure;

198.7. to approve the sets of annual financial statements of the Company and of annual consolidated financial statements of the Company's group of companies;

198.8. to approve the set of interim financial statements prepared for the purpose of adopting a decision on the allocation of dividends for a period shorter than the financial year;

198.9. to make decisions on the distribution of profit (loss);

198.10. to make decisions on the allocation of dividends for a period shorter than the financial year;

198.11. to make decisions on the formation, use, reduction and liquidation of reserves;

198.12. to make decisions to issue convertible bonds;

198.13. to make decisions to revoke the pre-emption right for all shareholders to acquire the Company's shares or convertible bonds of a specific issue;

198.14. to make decisions to increase the authorised capital;

198.15. to make decisions to reduce the authorised capital, except where otherwise provided in the Law on Companies;

198.16. to make decisions for the Company to acquire its own shares;

198.17. to make decisions on the reorganisation or separation of the Company and approve the terms and conditions of the reorganisation or separation, except where otherwise provided in the Law on Companies;

198.18. to make decisions to reorganise the Company;

198.19. to make decisions on the restructuring of the Company;

198.20. to make decisions to liquidate the Company, to cancel the liquidation of the Company, except where otherwise provided in the Law on Companies;

198.21. to elect and remove the liquidator of the Company, except where otherwise provided by law;

198.22. to make decisions on setting the terms and conditions of the contracts referred to in Articles 276 and 343 of these Articles of Association with the members of the Supervisory Board and the Chair of the Supervisory Board regarding activities in the Supervisory Board and on the establishment of confidential information and its protection as well as on the appointment of a person authorised to sign these contracts on behalf of the Company;

198.23. to make decisions on the payment of remuneration to independent members of the Supervisory Board and on the amount to be paid;

198.24. to approve or not to approve the annual report of the Company and the consolidated annual report of the Company's group of companies;

198.25. to approve or not to approve the decisions of the Management Board referred to in Articles 554.1 (except decisions on becoming a founder or participant of associations) and 554.5 of these Articles of Association;

198.26. to elect and remove the members of the Company's Audit Committee (hereinafter referred to as the Audit Committee) or the Audit Committee, ensuring that the majority of the members of the Audit Committee are independent members;

198.27. to make decisions on setting the terms and conditions of the contracts with the members and Chair of the Audit Committee regarding activities in the Audit Committee and regarding the protection of confidential information, as well as on the appointment of a person authorised to sign these contracts on behalf of the Company;

~~198.28.~~ to approve the regulations of the Audit Committee;

~~198.29.~~ to address other issues which fall within the competence of the General Meeting as provided for by the Law on Companies, its implementing legislation or these Articles of Association.

~~19.20.~~ The General Meeting may adopt resolutions and shall be deemed to have taken place if it is attended by the shareholders who hold shares carrying more than 1/2 (half) of all the votes.

~~20.21.~~ The resolution of the General Meeting shall be deemed to have been adopted when the number of votes cast by the shareholders in favour of the resolution exceeds the number of votes cast against it, except where otherwise provided in this Article. The decisions referred to in Articles ~~198.2~~, ~~198.5~~, ~~198.6~~, ~~198.9–198.12~~, ~~198.14~~, ~~198.15~~, ~~198.17–189.20~~ of these Articles of Association shall be made by adopting resolutions by the majority vote of 2/3 (two thirds) of the voting rights carried by the shares of the shareholders who participate in the General Meeting. The decision referred to in Article ~~198.13~~ of these Articles of Association shall be made by adopting a resolution by the majority vote of ¾ (three quarters) of the voting rights carried by the shares of the shareholders who participate in the General Meeting.

CHAPTER VI SUPERVISORY BOARD

~~24.22.~~ The Supervisory Board is a collegial body of the Company supervising the activities of the Company.

~~22.23.~~ The Supervisory Board shall consist of 7 (seven) members – natural persons. At least 1/2 (half) of the members of the Supervisory Board must be independent members. The Supervisory Board shall be elected by the General Meeting for a term of 4 (four) years. The Supervisory Board or its members shall begin and end their activities in accordance with the procedure and time limits established by the Law on Companies and its implementing legislation.

~~23.24.~~ Supervisory Board members must comply with the requirements set forth in Article ~~265~~ of these Articles of Association.

~~24.25.~~ Each candidate for the position of a member of the Supervisory Board must provide the General Meeting with written consent to stand as a candidate for the position of a member of the Supervisory Board and the candidate's declaration of interests, stating therein all circumstances which may give rise to a conflict of interest between the candidate and the Company. In the event of any new circumstances that could result in a conflict of interest between the member of the Supervisory Board and the Company, the member of the Supervisory Board must immediately notify the Supervisory Board and the shareholders in writing of such new circumstances.

~~25.26.~~ The following cannot be a member of the Supervisory Board:

~~265.1.~~ the Chief Executive Officer;

~~265.2.~~ a member of the Management Board;

~~256.3.~~ a member of the Management Board, the head or an administrative employee of a company of the Company's group of companies;

~~265.4.~~ a member of the supervisory body, management body or an employee of the administration of a legal entity carrying out electricity or gas transmission activities;

~~265.5.~~ an auditor or an employee of an audit firm who participates and/or has participated in the audit of the set of the Company's financial statements where less than 2 (two) years have elapsed since the audit was carried out;

~~265.6.~~ a person who is not legally entitled to hold this office.

~~26.27.~~ Contracts for activities in the Supervisory Board shall be entered into with the members of the Supervisory Board, which shall set out their rights, duties and responsibilities. By the decision of the General Meeting, independent members of the Supervisory Board shall be paid remuneration for activities in the Supervisory Board.

The terms and conditions of the contracts of the members of the Supervisory Board for activities in the Supervisory Board shall be set by the General Meeting.

~~27-28.~~ A member of the Supervisory Board may resign from office prior to the expiration of his/her term of office by giving at least 14 (fourteen) days' written notice to the Company.

~~28-29.~~ If a member of the Supervisory Board is removed from office, resigns or for any other reason ceases to hold office and the shareholders of the Company who hold shares carrying at least 1/10 (one tenth) of all votes oppose the election of individual members of the Supervisory Board, the Supervisory Board is deprived of its powers and the entire Supervisory Board shall be elected. If individual members of the Supervisory Board are elected, they shall be elected only until the end of the term of office of the existing Supervisory Board.

~~29-30.~~ The Supervisory Board shall be chaired by its Chair whom the Supervisory Board shall elect from among its members. The Chair of the Supervisory Board shall convene and chair the meetings of the Supervisory Board. If the Chair of the Supervisory Board is absent or cannot hold office, the meetings of the Supervisory Board shall be convened and chaired by the oldest member of the Supervisory Board.

~~30-31.~~ The Supervisory Board shall have the following competence:

319.1. to consider and approve the operational strategy, annual budget and investment policy of the Company and of the Company's group of companies, to analyse and assess information on the implementation of the operational strategy of the Company, to provide this information to the Ordinary General Meeting;

319.2. to elect and remove the members of the Management Board;

319.3. to supervise the activities of the Management Board and the Chief Executive Officer;

319.4. to submit comments and proposals to the General Meeting regarding the operational strategy of the Company and of the Company's group of companies, regarding a set of annual financial statements of the Company and a set of annual consolidated financial statements of the Company's group of companies, regarding the draft distribution of the Company's profit (loss), the annual report of the Company and the consolidated annual report of the Company's group of companies, as well as regarding the activities of the Management Board and the Chief Executive Officer;

319.5. to submit comments and proposals to the General Meeting regarding a draft decision on the allocation of dividends for a period shorter than the financial year, the set of interim financial statements and the interim report prepared for the purpose of adopting the said decision;

319.6. to submit proposals to the Management Board and the Chief Executive Officer to revoke their decisions which are in conflict with laws and other legislation, these Articles of Association or the decisions of the General Meeting;

319.7. to adopt decisions on setting the terms and conditions of the contracts referred to in Article 454 of these Articles of Association with the members of the Management Board regarding activities in the Management Board, including remuneration for work in the Management Board, and on the appointment of a person authorised to sign these contracts on behalf of the Company;

319.8. to make proposals and recommendations regarding the organisation of the activities and the financial situation of the Company's group of companies as well as regarding the decisions of the supervisory or management bodies of the Company's group of companies;

319.9. to submit comments and proposals to the Management Board regarding the Company's operational plan;

319.10. upon the proposal of the Management Board and/or the Chief Executive Officer, to make decisions on the appointment and dismissal of the head of the structural unit performing the internal audit functions of the Company, the approval of his/her job description, the provision of incentives for and the imposition of penalties on him/her;

~~310.11.~~ to submit an opinion to the Management Board on the nominations of the Chief Executive Officer and of the members of the management and/or supervisory bodies of AB "Energijos skirstymo operatorius", AB "Ignitis gamyba", UAB "Ignitis" and UAB "Ignitis renewables";

~~310.12.~~ at the request of the Management Board and/or the Chief Executive Officer, to submit comments and proposals regarding the decisions adopted or planned to be adopted by the Management Board and/or by the Chief Executive Officer;

~~310.13.~~ to consider and submit proposals regarding the auditor or audit firm elected by the General Meeting and regarding the terms and conditions of payment for audit services;

~~310.14.~~ taking into consideration the ~~conclusion opinion~~ of the Company's Audit Committee, to make decisions regarding the Company's transactions planned to be entered into with a related party, as laid down in the Law on Companies~~it is understood in accordance with International Financial Reporting Standards, if the said transactions;~~

~~310.14.1 are entered into under unusual market conditions and/or;~~

~~310.14.2 are not part of the Company's usual economic activities and/or;~~

~~310.14.3 have a material impact on the Company, its finances, assets and liabilities, i.e. the value of the transaction exceeds 1/50 of the Company's authorised capital, except for~~

~~310.14.3.1. transactions which are necessary to ensure the Company's main activities;~~

~~310.14.3.2. transactions which must be entered into according to the requirements of legislation;~~

~~310.14.3.3. short term lending transactions entered into between the companies of the Company's group of companies by using the Intragroup borrowing platform as well as lending, collateral obligation and collateral obligation service transactions entered into between the parent company and a subsidiary of the Company's group of companies (including lower tier subsidiaries) if within a financial year the value of the transaction referred to in this Article does not exceed 1/10 of the value of the assets indicated in the latest published audited balance sheet of the parent Company.~~

~~31.15.~~ to approve the Policy on Related Party Transactions of the Company and the Company's group of companies, including the procedure and conditions for the assessment of related party transactions which are entered into under normal market conditions in the ordinary course of business, as laid down in Article 37²(11) of the Law on Companies;

~~310.16.5~~ to provide comments and proposals to the General Meeting of Shareholders and the Management Board on the Company's draft remuneration policy and draft remuneration report;

~~310.17.6.~~ to deal with other issues relating to the supervision of the activities of the management bodies of the Company and of the companies of the Company's group of companies which are within the competence of the Supervisory Board as stipulated in the Law on Companies, these Articles of Association and the decisions of the General Meeting.

~~34.32.~~ The Supervisory Board shall not be entitled to delegate or transfer the functions which fall within its competence, as stipulated by law and in these Articles of Association, to other bodies of the Company.

~~32.33.~~ The Supervisory Board shall have the right to request the Management Board and the Chief Executive Officer to submit documents and information related to the activities of the Company and of the Company's group of companies while the Management Board and the Chief Executive Officer must ensure that such documents and information are submitted to the Supervisory Board within a reasonable time limit.

~~33.34.~~ The members of the Supervisory Board must safeguard confidentiality of any commercial (industrial) secrets and confidential information of the Company and of the Company's group of companies which become known to them when they are members of the Supervisory Board. Contracts for the protection of confidential information shall be entered into with the members of the Supervisory Board, the terms and conditions of which shall be approved by the General Meeting.

~~34-35.~~ The adoption of the decisions of the Supervisory Board shall be as follows:

354.1. The rules of procedure of the Supervisory Board shall be laid down by the Rules of Procedure of the Supervisory Board adopted by the Supervisory Board.

354.2. The Supervisory Board shall adopt decisions at the meetings of the Supervisory Board. Minutes shall be taken of the meetings of the Supervisory Board.

354.3. The meetings of the Supervisory Board shall take place at least quarterly. The meetings of the Supervisory Board shall be convened by the Chair of the Supervisory Board. The meetings of the Supervisory Board may also be convened by the decision of at least 1/3 (one third) of the members of the Supervisory Board. The Supervisory Board must enable the members of the Management Board, the Chief Executive Officer, the heads of the structural units of the Company and/or the members of the supervisory or management bodies of the companies of the Company's group of companies to attend its meetings and must provide explanations to them when addressing the issues related to their activities.

35.4. In the event of the resignation or removal of one or more members of the Management Board, the Chair of the Management Board or the entire Management Board, a meeting of the Supervisory Board shall be convened at which new members of the Management Board or the entire Management Board shall be elected respectively.

354.5. The Supervisory Board may adopt decisions and its meeting shall be deemed to have been held when more than 1/2 (half) of the members of the Supervisory Board attend the meeting.

354.6. The decision of the Supervisory Board shall be deemed to have been adopted if the majority of the members of the Supervisory Board attending the meeting vote in its favour. In the event of a tie, the Chair of the Supervisory Board shall have the casting vote. The decision to remove a member of the Management Board may be adopted if at least 2/3 (two thirds) of the members of the Supervisory Board attending the meeting vote in its favour.

354.7. The members of the Supervisory Board must attend the meetings of the Supervisory Board and vote in favour of or against each issue considered. A member of the Supervisory Board shall not be entitled to refuse to vote or abstain from voting, unless there is a potential conflict of interest between the member of the Supervisory Board and the Company or on any other grounds provided by legal acts or these Articles of Association. A member of the Supervisory Board shall have the right to grant a written power of attorney to another member of the Supervisory Board to represent him/her in voting at the meeting of the Supervisory Board.

354.8. The members of the Supervisory Board who are unable to attend the meeting of the Supervisory Board directly must vote in advance in writing or by electronic means if the security of information transmitted is ensured and the person who voted can be identified. The members of the Supervisory Board who voted in advance shall be deemed to have participated at the meeting of the Supervisory Board.

~~35-36.~~ The Company must ensure appropriate working conditions for the Supervisory Board and the members of the Supervisory Board in the Supervisory Board and must provide technical and organisational means necessary for work. The functions of servicing the meetings of the Supervisory Board shall be performed by the Company's employees responsible for organising the decision-making of the management and supervisory bodies, or other employees appointed by the Chief Executive Officer.

~~36-37.~~ The committees of the Supervisory Board:

376.1. The Nomination and Remuneration Committee and the ~~Committee for Supervision of~~ Risk Management and Sustainability Committee (hereinafter referred to as the Committees) shall be formed and operate in accordance with the regulations of the Committees approved by the Supervisory Board. Other committees may be set up if necessary. The functions and operational guidelines of the Committees shall be established and approved by the Supervisory Board.

~~376~~.2. The Committees shall examine the issues assigned to their competence in the regulations of the Committees and the issues referred to a relevant Committee by the Supervisory Board and shall submit proposals to the Supervisory Board on these issues. The Supervisory Board, taking into account the proposals of the Committees, shall adopt decisions within its competence and shall be responsible for these decisions.

~~376~~.3. The Committees shall be set up by the decision of the Supervisory Board for a maximum term of 4 (four) years of at least 3 (three) members. Where individual members of the Committee are elected, they shall be elected only until the end of the term of office of the existing Committee. The members of the Committees shall be subject to the restrictions set out in Article ~~265~~ of these Articles of Association. At least 1/3 (one third) of the members of the relevant Committee must be independent, unless legal acts provide for a larger number of independent members. A member of the Supervisory Board shall be appointed to hold the office of the Chair of the Committee. If a member of the Supervisory Board is removed from office, resigns or for any other reason ceases to be a member of the Supervisory Board, he/she shall be deprived of his/her office in the Committee.

~~376~~.4. The Committees shall prepare and submit a report on their activities to the Supervisory Board at least every 6 (six) months.

~~376~~.5. Contracts for activities in a relevant Committee which, *inter alia*, set out the rights, duties and responsibilities of the members of the Committee may be entered into with the members of the Committees. By the decision of the Supervisory Board, independent members of the Committees may be paid remuneration which cannot exceed the amount of remuneration for an independent member of the Supervisory Board for activities in the Supervisory Board as set by the General Meeting. The Supervisory Board shall set the terms and conditions of the contracts for activities in the Committee for the members of the Committees.

CHAPTER VII MANAGEMENT BOARD

~~37-38~~. The Management Board is a collegial management body of the Company.

~~39-38~~. The Management Board shall be elected and removed by the Supervisory Board in accordance with the procedure set forth in these Articles of Association and legal acts. The Management Board shall be accountable to the Supervisory Board and the General Meeting.

~~40-39~~. The Management Board shall consist of 5 (five) members elected for a term of 4 (four) years. The Management Board and its members shall commence and terminate their activities in accordance with the procedure and within the time limits established by the Law on Companies and other legal acts.

~~41-9~~. The members of the Management Board must comply with the requirements set forth in Article ~~432~~ of these Articles of Association.

~~42-4~~. Each candidate for the position of a member of the Management Board must provide the Supervisory Board with written consent to stand as a candidate for the position of a member of the Management Board and the candidate's declaration of interests, stating therein all circumstances which may give rise to a conflict of interest between the candidate and the Company. In the event of any new circumstances that could result in a conflict of interest between the member of the Management Board and the Company, the member of the Management Board must immediately notify the Management Board and the Supervisory Board in writing of such new circumstances.

~~432~~. The following cannot be a member of the Management Board:

~~432~~.1. a person referred to in Articles ~~265~~.4 and ~~265~~.5 of these Articles of Association;

~~432~~.2. a member of the Supervisory Board;

~~432~~.3. a member of the Committee;

~~432~~.4. a person who is not legally entitled to hold such office.

443. The members of the Management Board cannot do any other work or hold any other positions which are incompatible with their activities in the Management Board, including executive positions in other legal entities (except for positions within the Company and the Company's group of companies), work in civil service or statutory service. The members of the Management Board may hold other office or do other work, except for positions within the Company and other legal entities of which the Company is a member, and may carry out pedagogical, creative or authorship activities only with the prior consent of the Supervisory Board.

454. Contracts for activities in the Management Board shall be entered into with the members of the Management Board before they take office, which shall set out their rights (including the right to remuneration for activities in the Management Board if a decision to pay such remuneration is adopted), duties and responsibilities. The Supervisory Board shall set the terms and conditions of the contracts for activities in the Management Board.

465. The Management Board shall elect the Chair of the Management Board from its members.

476. If the Management Board is removed from office, resigns or for any other reason ceases to hold office before the expiry of the term of office, a new Management Board shall be elected for a new term of office of the Management Board. Individual members of the Management Board shall only be elected until the end of the term of office of the existing Management Board.

487. A member of the Management Board may resign from office before the end of his/her term of office by giving at least 14 (fourteen) days' written notice to the Company in accordance with the procedure laid down by law.

498. The competence of the Management Board, the procedure for decision-making and election and removal of the members of the Management Board are established by the Law on Companies, its implementing legal acts, these Articles of Association and the Rules of Procedure of the Management Board.

5049. The Management Board shall consider and approve:

5049.1. the operational plan of the Company;

5049.2. the remuneration report of the Company;

5049.3. the management (organisational) structure of the Company, the list of positions and the maximum number of posts;

5049.4. positions to which employees are recruited on a competition basis;

5049.5. the regulations of the Company's branches and representative offices;

5049.6. the list of confidential information and commercial (industrial) secrets;

50.7. the procedure for concluding transactions of the Company and the Company's group of companies.

519. The Management Board shall analyse and assess:

519.1. the draft operational strategy of the Company and of the Company's group of companies submitted by the Chief Executive Officer and information about the implementation of the operational strategy of the Company and of the Company's group of companies;

519.2. the organisation of the activities of the Company and of the Company's group of companies;

519.3. the financial situation of the Company and of the Company's group of companies;

519.4. the results of the economic activities of the Company, its income and expenditure estimates, inventory data and other accounting data on changes in assets;

519.5. draft remuneration policy submitted by the Chief Executive Officer;

519.6. the annual budgets of the Company and of the Company's group of companies and shall submit them to the Company's Supervisory Board for approval.

524. The Management Board shall consider and approve the annual report of the Company, the consolidated annual report of the Company's group of companies, the interim report and shall analyse and assess a set of annual financial statements of the Company, a set of consolidated annual financial statements of the Company's group of companies, a set of interim financial statements of the Company prepared for the purpose of adopting a

decision on the allocation of dividends for a period shorter than the financial year, the draft distribution of the Company's profit (loss) and a draft decision regarding dividends for a period shorter than the financial year and shall submit these documents to the Supervisory Board and the General Meeting.

~~532.~~ The Management Board shall adopt decisions on the conclusion of the following transactions (except for cases where transactions meeting the criteria set out below are provided for in the operational budget of the Company):

~~532.1. acquisition, investment, transfer, lease of non-current assets with a book value which equal to or exceeds EUR 3,000,000 (three million) or is lower (in cases specified in the procedure for concluding transactions which is approved by the Management Board) (calculated separately for each type of transaction), pledge or mortgage thereof (calculated for the total amount of transactions);~~

~~532.2. acquisition of non-current assets at a price equal to or higher than EUR 3,000,000 (three million); surety or guarantee for the fulfilment of obligations of other entities if the amount exceeds EUR 3,000,000 (three million) or is lower (in cases specified in the procedure for concluding transactions which is approved by the Management Board);~~

~~532.3. pledge or mortgage of non-current assets with a book value equal to or exceeding EUR 3,000,000 (three million) (calculated for the total amount of transactions) conclusion of other transactions specified in the procedure for concluding transactions which is approved by the Management Board.;~~

~~52.4. surety or guarantee for the fulfilment of obligations of other entities in the amount equal to or exceeding EUR 3,000,000 (three million);~~

~~52.5. lending (except for investing the Company's funds in accordance with the procedure for investing the Company's funds as laid down by the Management Board) or borrowing of money, including, but not limited to, decisions to enter into any credit (loan) agreements and/or modify the terms and conditions of the existing credit (loan) agreements;~~

~~52.6. conclusion of other transactions with the value equal to or exceeding EUR 3,000,000 (three million).~~

~~543.~~ When adopting the decisions referred to in Article ~~532~~ of these Articles of Association, the Management Board shall approve the material terms and conditions of these transactions.

~~554.~~ The Management Board shall adopt decisions regarding:

~~554.1.~~ the Company becoming a founder or participant of other legal entities;

~~554.2.~~ the establishment of branches and representative offices of the Company;

~~554.3.~~ the approval of nominations for members of the supervisory and/or management bodies of the companies of the Company's group of companies and of the Company's branches and representative offices having regard to the opinion provided by the Supervisory Board when it is provided in accordance with Article ~~310.11~~ of these Articles of Association;

~~554.4.~~ the approval of the Articles of Association of companies in which the Company is a shareholder;

~~554.5.~~ the following of the companies of the Company's group of companies ~~which have the status of companies of importance to national security and with strategic and significant importance for national security~~ which engage in generation, distribution and supply activities in the energy sector as well as of companies directly managed by the Company which engage in activities in the energy generation sector:

~~554.5.1.~~ transfer, pledge, other restriction or disposal of shares or rights attached thereto;

~~554.5.2.~~ increase or reduction of the authorised capital or other actions that may alter the structure of the authorised capital (e.g. issue of convertible bonds);

~~554.5.3.~~ reorganisation, separation, restructuring, liquidation, transformation or other actions changing the status of these companies;

~~554.5.4.~~ transfer of business or a substantial part of it;

554.6. the issues of setting and managing the operational guidelines and rules of the companies of the Company's group of companies, common policies, annual financial plans, annual rate of return on assets and maximum amounts of debt obligations of the Company's group of companies as well as other operational parameters of the companies of the Company's group of companies;

554.7. participation and voting in the General Meetings of Shareholders of the companies of which the Company is a shareholder. The Management Board shall appoint a person to implement the decision of the Management Board at a General Meeting of Shareholders.

565. The Management Board shall adopt decisions:

565.1. to issue the Company's bonds (except for convertible bonds);

565.2. to establish the procedure for granting the support of the Company;

565.3 regarding other issues which fall within the competence of the Management Board as well as issues (including issues concerning the conclusion of transactions) which are referred to the Management Board by the Chief Executive Officer.

576. Decisions of the Management Board referred to in Articles 554.1 (except decisions on becoming a founder or participant of associations) and 556.5 (except decisions on the increase or reduction of the authorised capital of companies directly managed by the Company which do not have the status of companies of a strategic and significant importance to national security and engage in activities in the energy generation sector) of these Articles of Association shall require the approval of the General Meeting.

587. If these Articles of Association, the Law on Companies or other legal acts require the approval of the General Meeting for decisions of the Management Board, decisions of the Management Board can be implemented only after the approval of the General Meeting has been obtained. The approval of the General Meeting shall not eliminate the responsibility of the Management Board for the decisions adopted.

598. The Management Board shall be responsible for convening and organising the General Meetings in a timely manner.

6059. The Management Board, taking into consideration the opinion of the Supervisory Board, shall elect and remove the Chair of the Management Board and the Chief Executive Officer, shall determine the Chief Executive Officer's salary, other terms and conditions of his/her employment contract, approve his/her job description, provide incentives for and impose penalties on him/her in accordance with the procedure laid down in the Law on Companies, its implementing legal acts and these Articles of Association.

619. The Chair of the Management Board elected by the Management Board shall also be appointed as the Chief Executive Officer. If the Chief Executive Officer is removed from office, he/she shall also be removed from the office of the Chair of the Management Board.

624. All members of the Management Board shall have equal rights and obligations.

632. The Management Board shall act in accordance with the legal acts regulating the activities of companies, these Articles of Association, the decisions of the General Meeting and the Supervisory Board as well as the Rules of Procedure of the Management Board.

643. The members of the Management Board must safeguard confidentiality of any commercial (industrial) secrets and confidential information of the Company and the Company's group of companies which become known to them when they are members of the Management Board.

654. The adoption of the Management Board decisions and the rules of procedure shall be as follows:

654.1. The rules of procedure of the Management Board shall be laid down by the Rules of Procedure of the Management Board adopted by the Management Board.

654.2. Each member of the Management Board shall be responsible for the analysis of issues which fall within his/her competence – the area of supervision directly related to the work in the Management Board – in respect of which a decision has to be adopted and for the provision of all necessary information to other members

of the Management Board in order for the necessary decisions of the Management Board to be adopted in a timely manner. The specific areas of supervision of the members of the Management Board shall be defined in the Rules of Procedure of the Management Board.

654.3. The Management Board shall adopt its decisions in the Management Board meetings. Minutes shall be taken of the meetings of the Management Board. The Management Board shall organise its activities in accordance with the procedure laid down in the Rules of Procedure of the Management Board.

654.4. Meetings of the Management Board must be held at least once every 2 (two) weeks if the Rules of Procedure of the Management Board do not establish otherwise.

654.5. If the Chief Executive Officer resigns or is removed, the Management Board shall immediately decide on the removal of the Chair of the Management Board.

654.6. Meetings of the Management Board shall be convened and chaired by the Chair of the Management Board. In the absence of the Chair of the Management Board, the oldest member of the Management Board shall convene and chair the meetings of the Management Board.

654.7. The Management Board may adopt decisions and its meeting shall be deemed to have been held when at least 4 (four) members of the Management Board attend the meeting. The members of the Management Board who voted in advance shall be deemed to be present at the meeting.

654.8. The decision of the Management Board shall be deemed to have been adopted if the majority of the members of the Management Board attending the meeting vote in its favour. In the event of a tie, the Chair of the Management Board shall have the casting vote.

654.9. The members of the Management Board must attend the meetings of the Management Board and vote in favour of or against each issue considered. A member of the Management Board shall not be entitled to refuse to vote or abstain from voting unless there is a potential conflict of interest between the member of the Management Board and the Company. A member of the Management Board has the right to grant a written power of attorney to another member of the Management Board to represent him/her in voting at the meeting of the Management Board.

654.10. The members of the Management Board who are unable to attend a meeting of the Management Board directly must give prior written notice thereof or vote in advance in writing or by electronic means if the security of information transmitted is ensured and the person who voted can be identified.

665. The Company must ensure appropriate working conditions for the Management Board and the members of the Management Board in the Management Board by providing technical and organisational means necessary for work. The meetings of the Management Board shall be serviced by the Company's employees responsible for the organisation of the decision-making of the management and supervisory bodies, or other employees appointed by the Chief Executive Officer.

CHAPTER VIII CHIEF EXECUTIVE OFFICER

676. The Chief Executive Officer is a single-person management body of the Company.

687. The Chief Executive Officer shall act on behalf of the Company and enter into transactions at his/her own discretion, except where otherwise provided in the Law on Companies, its implementing legislation and these Articles of Association.

698. The competence of the Chief Executive Officer, the procedure for election and removal and the terms of office are laid down in the Law on Companies, its implementing legislation and these Articles of Association.

7069. The Chief Executive Officer shall take office from the date of his/her election unless provided otherwise in the employment contract entered into with the Chief Executive Officer. The employment contract with the

Chief Executive Officer shall be signed by a member of the Management Board authorised by the Management Board.

~~719~~. The Chief Executive Officer shall have the right to resign from office by informing the Management Board and the Supervisory Board in writing.

~~724~~. The Chief Executive Officer shall act in accordance with laws, other legal acts, these Articles of Association, the decisions of the General Meeting, the decisions of the Supervisory Board and the Management Board as well as his/her job description.

~~732~~. The Chief Executive Officer must safeguard confidentiality of any commercial (industrial) secrets and confidential information of the Company which become known to him/her in the performance of his/her duties in the Company.

~~743~~. The Chief Executive Officer shall:

~~743.1~~. manage the Company;

~~743.2~~. organise day-to-day activities of the Company;

~~743.3~~. ensure the implementation of the Company's operational strategy;

~~743.4~~. implement the decisions of the Management Board;

~~743.5~~. make decisions regulating the activities of the Company;

~~743.6~~. recruit and dismiss employees, enter into and terminate employment contracts with them, incentivise them and impose penalties on them;

~~743.7~~. open and close accounts in banks or other institutions of payment service providers and dispose of the Company's funds therein;

~~743.8~~. issue authorisations and procurations;

~~743.9~~. ensure the protection of the Company's property/assets, the creation of appropriate working conditions for the Company's employees, the protection of the Company's commercial secrets and confidential information;

~~743.10~~. submit proposals to the Management Board regarding the annual budgets of the Company and of the Company's group of companies;

~~743.11~~. enter into a service provision contract with an auditor or an audit firm and ensure the submission of the Company's documents required for the audit to be carried out;

~~743.12~~. be responsible for:

~~743.12.1~~. preparation of the sets of annual financial statements of the Company and of annual consolidated financial statements of the Company's group of companies, preparation of the annual report of the Company and the consolidated annual report of the Company's group of companies;

~~743.12.2~~. drafting a decision on the allocation of dividends for a period shorter than the financial year, preparation of a set of interim financial statements and preparation of the interim report for the purpose of adopting a decision on the allocation of dividends for a period shorter than the financial year;

~~743.12.3~~. management of shareholders' personal securities accounts and registration of the owners of certificated shares in the Company, except where accounting for uncertificated shares is delegated to account managers;

~~743.12.4~~. submitting information and documents to the General Meeting, the Supervisory Board and the Management Board in cases stipulated by the Law on Companies or at their request;

~~743.12.5~~. submitting the Company's documents and data to the manager of the Register of Legal Entities;

~~743.12.6~~. submitting the documents of the Company to the Bank of Lithuania and the Central Securities Depository;

~~743.12.7~~. public disclosure of information as prescribed by the Law on Companies in the source specified in these Articles of Association;

743.12.8. submitting information to shareholders;

743.12.9. preparation of the draft annual budgets of the Company and the Company's group of companies;

743.12.10. drafting the remuneration policy and the remuneration report and making the approved remuneration policy and remuneration report publicly available on the Company's website;

743.13. perform other functions set forth in laws, these Articles of Association, the decisions of the General Meeting, the decisions of the Supervisory Board and the Management Board as well as the job description of the Chief Executive Officer and address other issues relating to the activities of the Company which do not fall within the competence of other bodies of the Company under law and these Articles of Association.

7564. The Chief Executive Officer shall participate and vote in the General Meetings of Shareholders of the companies of which the Company is a shareholder unless the Management Board delegates the implementation of the decisions of the Management Board regarding participation and voting in the General Meetings of Shareholders to another person.

765. If, under law or these Articles of Association, the decision and/or approval of the General Meeting and/or the Management Board is required for the conclusion of the Company's transactions or for the adoption of other decisions, the Chief Executive Officer may enter into the Company's transactions or adopt other decisions when such a decision and/or approval of the General Meeting and/or the Management Board has been made.

CHAPTER IX AUDIT COMMITTEE

776. The Audit Committee shall consist of 5 (five) members appointed by the General Meeting for a maximum period of 4 (four) years, ensuring that the majority of the members of the Audit Committee are independent members. Two candidates for the Audit Committee shall be nominated by the Supervisory Board.

787. The Audit Committee shall elect the Chair of the Audit Committee from among its independent members.

798. The members of the Audit Committee must comply with the independence, qualification and other requirements specified in Resolution No. 03-14 of the Board of the Bank of Lithuania "Regarding the Approval of the Description of Requirements for Audit Committees" of 24 January 2017.

8079. The Audit Committee shall be responsible for the preparation and submission of objective conclusions or proposals to the Company on the operation of the audit and internal control system in the Company's group of companies.

810. The competence of the Audit Committee shall include, but shall not be limited to:

810.1. monitoring the financial reporting and auditing processes of the companies of the Company's group of companies;

810.2. monitoring compliance with the principle of independence of auditors and audit firms of the companies of the Company's group of companies;

810.3. monitoring the effectiveness of the internal control, risk management and internal audit systems and processes of the companies of the Company's group of companies;

810.4. preparation and submission of recommendations to the Company regarding the selection, appointment, re-appointment and removal of an external audit company and the terms and conditions of the contract with the external audit company;

810.5. ensuring the effectiveness of the internal audit function in the Company's group of companies;

810.6. providing an opinion to the Company on transactions with related parties as stipulated in Article 37² of the Law on Companies.

824. The Audit Committee shall act as the audit committee of the Company's group of companies as a whole.

832. The regulations of the Audit Committee shall be approved by the General Meeting.

CHAPTER X PLANNING OF THE COMPANY'S ACTIVITY, AUDIT AND FINANCES

843. The activity of the Company and the Company's group of companies shall be planned through the preparation of the annual budgets of the Company and the Company's group of companies, which shall be approved by the Supervisory Board. The Chief Executive Officer shall be responsible for the preparation of the draft annual budgets of the Company and the Company's group of companies.

854. A set of financial statements of the Company and a set of consolidated financial statements of the Company's group of companies must be prepared in accordance with International Financial Reporting Standards. The General Meeting shall have the exclusive right to select and remove an auditor or an audit firm and to set the terms and conditions of payment for audit services.

865. The structural unit performing the internal audit functions of the Company shall be accountable to the Supervisory Board.

CHAPTER XI PUBLICATION OF NOTICES

876. The Company's notices on convening the General Meeting and regulated information as defined in the Law on Securities of the Republic of Lithuania, which the Company is required to disclose under the Law on Securities, shall be published in the Central Database of Regulated Information and on the Company's website in accordance with the procedure laid down in this Law.

887. Other information and notices not specified in Article 876 of the Articles of Association, which the Company must make public, shall be published in the electronic publication for public notices issued by the manager of the Register of Legal Entities in accordance with the procedure laid down by the Government.

CHAPTER XII PROCEDURE FOR PROVIDING DOCUMENTS AND OTHER INFORMATION TO SHAREHOLDERS, THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD

898. At the written request of a shareholder, the Company must, no later than within 7 (seven) days from the date of receipt of the request, make the following documents available to the shareholder: these Articles of Association, a set of annual financial statements of the Company and a set of annual and interim consolidated financial statements of the Company's group of companies, the annual and interim reports of the Company and consolidated annual reports of the Company's group of companies, the auditor's reports, audit reports on financial statements, minutes of the General Meetings and of the meetings of the Supervisory Board and the Management Board or other documents which formalise the decisions of the bodies of the Company, the Supervisory Board's proposals or comments to the General Meeting, lists of shareholders, lists of the members of the Supervisory Board and the Management Board as well as other documents of the Company which are required to be made public by law unless such documents contain any commercial (industrial) secret or confidential information, and/or must provide the shareholder with copies of the above-mentioned documents.

9089. The Company must provide a shareholder with access to all other information of the Company that is not specified in Article 889 of these Articles of Association, which, at the request of the shareholder, must be

systematised according to the reasonable criteria specified by the shareholder and/or must provide copies of documents if such information and documents, including information and documents relating to the Company's commercial (industrial) secret and confidential information, are necessary for the shareholder to fulfil the requirements set out in other legal acts and the shareholder safeguards confidentiality of such information and documents. The Company shall refuse to provide copies of documents to the shareholder if it is not possible to identify the shareholder who requested the documents. The refusal to provide the shareholder with access and/or submit copies of documents shall be documented by the Company in writing if the shareholder so requests.

919. Any member of the Supervisory Board or the Management Board shall have the right of access to all documents of the Company and of the companies of the Company's group of companies as well as to all information of the Company and of the companies of the Company's group of companies (including information on the draft decisions of the management bodies that have not been adopted yet and information on the planned transactions and investments), which, at the request of the person receiving the information, must be systematised according to the reasonable criteria specified by such person. If the Company does not have the documents or information of the companies of the Company's group of companies requested by the members of the Supervisory Board or the Management Board, the Chief Executive Officer must take immediate action in order for the Company to obtain such documents or information. Information and documents provided in accordance with this Article must be submitted immediately, but no later than within 5 (five) working days from the date of receipt of the respective request. The entities referred to in this Article shall have the right to demand and the Company shall have the duty to ensure that certain specific information and documents are provided periodically without a separate request from the relevant entity.

924. All information and documents specified in Articles 898–910 of these Articles of Association shall be provided to the shareholders, the members of the Supervisory Board and the Management Board free of charge.

CHAPTER XIII BRANCHES AND REPRESENTATIVE OFFICES OF THE COMPANY

932. The branches and/or representative offices of the Company shall be established and their activities shall be terminated by decision of the Management Board. The number of the branches and/or representative offices of the Company shall be unlimited.

943. The branches and/or representative offices of the Company shall operate according to the regulations of the branches and/or representative offices approved by the Management Board.

954. The heads of the branches and/or representative offices of the Company shall be appointed and removed in accordance with Article 534.3 of these Articles of Association and the regulations of the branches and/or representative offices approved by the Management Board.

CHAPTER XIV FINAL PROVISIONS

965. These Articles of Association of the Company shall be amended in accordance with the procedure laid down in the Law on Companies.

976. When the General Meeting makes a decision to amend these Articles of Association of the Company, the full text of the amended Articles of Association shall be drawn up and signed by a person authorised by the General Meeting of Shareholders.

987. These Articles of Association shall become effective as of the date of their registration in the Register of Legal Entities.

998. In the event of any changes in the provisions of laws which result in any conflict between the provisions of these Articles of Association and the changed laws, the laws must be followed until the Articles of Association of the Company are amended.

The Articles of Association were signed

The person authorised by the General Meeting:

Chief Executive Officer

Darius Maikštėnas