

## PROFILE OF AB "IGNITIS GAMYBA" BOARD'S COMPETENCES

### GENERAL EXPECTATIONS AND COMPETENCE REQUIREMENTS FOR ALL MEMBERS OF THE BOARD OF AB "IGNITIS GAMYBA"

#### Ethical requirements

#### Time commitment for the activities of a Board member

All members must devote necessary time to prepare for and participate in the meetings of the Board, which take place at least every quarter.

#### Diversity

Gender balance and different ways of thinking should be ensured in the Board.

#### Values

All Board members must adhere to and endorse the Company's values (partnership, openness, responsibility and growth) and act as ambassadors for these values.

#### Cognitive skills

All Board members must display systemic, strategic and critical thinking.

#### Ethics

All Board members must follow the Code of Ethics approved by AB "Ignitis grupė".

#### General requirements

#### Professional requirements (applicable to at least some of Board members)

- Professional experience in top management roles/leadership positions (CEO, executive-level manager reporting directly to CEO, etc.).
- Work experience in collegial bodies of companies.
- Excellent proficiency in English (oral and written).
- Professional experience and/or knowledge in areas of financial management/analysis/audit.
- Knowledge of and skills in business strategy formation and control as well as corporate governance (relevant education).
- Understanding and knowledge of the operation of the energy sector and knowledge/understanding of development trends and future prospects within the energy sector in the Lithuanian and global context.
- Professional experience in top management roles (CEO, executive-level manager reporting directly to CEO, etc.) in an energy company.
- Understanding and experience in regulated energy business (energy generation, trading).

#### Impeccable reputation

- There must be no ties with other natural persons and legal entities that would give rise to a conflict of interest in the performance of the duties of an independent member of a collegial body.
- Candidates for the position of a member of the Board must not be deprived of the right to hold the respective position or to perform the functions attributed to the position or the right to hold such a position must not be restricted.
- Over the last 5 years, a member of the Board must not have been removed from a single-person or collegial body of a legal entity due to improper execution of their duties.

#### Engagement of previous members of collegial bodies

In order to ensure the continuity of the Board's activities, the aim is to have some members from the previous term in the new Board.

#### Education

Higher (university) or equivalent education.

#### Restrictions

A member of the Board cannot be: the CEO of the company; a member of the Supervisory Board/Management Board of the parent company; a member of the management body of a subsidiary company; a member of a supervisory, management or administrative body of a legal entity carrying out electricity or gas distribution activities; an auditor or an employee of an audit company who is participating and/or has participated in the audit of a set of financial statements of the company where less than 2 (two) years has elapsed since the audit was carried out; a person who is not legally entitled to hold this office.

**Independence criteria  
(for independent members only)**

- An independent Board member must not be a civil servant or employee of AB “Ignitis gamyba”, its subsidiary or the parent company (AB “Ignitis grupė”) or any related legal entity of which the aforementioned companies are participants, shareholders or founders (hereinafter – related legal entity), or a civil servant or employee of the Ministry of Finance of the Republic of Lithuania, which manages the shares of AB “Ignitis grupė” owned by the state, or of its subordinate legal entity and must not have held such a position for the last one year.
- An independent Board member must not be a collegial body member, CEO or employee of AB “Ignitis gamyba”, its subsidiary or the parent company (AB “Ignitis grupė”) or any related legal entity of which the aforementioned companies are participants, shareholders or founders and must not have held such a position for the last one year and must not have received remuneration from such legal entities, except for holding the position of a member of a collegial body or committee.
- Over the last one year, an independent Board member must not have been a participant of AB “Ignitis gamyba”, its subsidiary or the parent company (AB “Ignitis grupė”) or any related legal entity; a representative of participants of such legal entities.\*
- An independent Board member must not be a close person – spouse, cohabiting partner, partner when partnership is registered under the procedure laid down by law, as well as their parents (adoptive parents), children (adopted children), brothers (step-brothers), sisters (step-sisters), grandparents, grandchildren and their spouses, cohabiting partners and partners – of a participant, CEO or collegial body member of AB “Ignitis gamyba”, its subsidiary or the parent company (AB “Ignitis grupė”) or any related legal entity.\*
- An independent Board member must not have any significant business relations with AB “Ignitis gamyba”, its subsidiary or the parent company (AB “Ignitis grupė”) or with any related legal entity, either directly or as a participant or CEO of a legal entity which has such relations. A natural person or legal entity is considered to have significant business relations when their income from a company, its participant or a related legal entity exceeds 1,000 euros over the last 12 months, except for salary or remuneration for holding the position of a member of a collegial body or committee.\*
- Over the last two years, an independent Board member must not have been a partner, participant, CEO, employee or member of the collegial body of the audit company which performs or has performed the audit of AB “Ignitis gamyba”, its subsidiary or the parent company (AB “Ignitis grupė”) or any related legal entity.\*
- An independent Board member must not have been a member of the collegial body of AB “Ignitis gamyba”, its subsidiary or the parent company (AB “Ignitis grupė”) for more than 10 years. This period shall be calculated by adding the future term of office of a member of the collegial body for which an independent Board member would be appointed and the previous terms of office of a member of the collegial body of the same company when the period between the terms of office does not exceed one year.
- An independent Board member must not be a member of more than four collegial bodies of state-owned or municipal-owned enterprises.

**REQUIREMENTS APPLICABLE TO AREAS OF COMPETENCE ACCORDING TO THE STRATEGY  
(it is expected that at least one member has experience in at least one of the specified areas)**

<b>Financial management</b>	Experience in financial management (e.g. financial management in large companies (management of financial flows, budget control), evaluation and financing of investment projects, pricing, consulting, financial services, auditing, international accounting/preparation of financial statements, etc.).
<b>Strategic planning and management</b>	Experience in business strategy formation and management (e.g. in creating and developing a short-term and long-term business strategy, formulating strategic objectives, supervising and ensuring their implementation, setting KPIs, etc.).
<b>Energy generation and markets</b>	Experience in and understanding of the principles of the regulation of energy generation (e.g. technological solutions for energy generation in Lithuania and abroad, principles of the operation of the international energy trading system, legal regulation in Lithuania and abroad, etc.).
<b>Organisational development</b>	Experience in organisational development (e.g. development of the organisation and its culture, implementation of changes, application and/or implementation of human resources management tools, improving operational efficiency, business transformation, etc.).
<b>Business continuity and security</b>	Experience in managing issues related to national security, crises or mobilisation (e.g. working in the civil service, knowledge of national security activities in the Republic of Lithuania, understanding of legal acts regulating national security, understanding of risks related to national security).

\* Also applicable to candidates delegated by AB “Ignitis grupė”.