



Notice of the Extraordinary General Meeting of Shareholders

24 November 2021



Extraordinary General Meeting of Shareholders of AB “Ignitis grupė”

On 24 November, 2021 the Management Board of AB “Ignitis grupė” (hereinafter – the Group), company code 301844044, registered office situated at Laisvės Ave. 10, Vilnius, decided to convene the Extraordinary General Meeting (hereinafter – EGM) of Shareholders, to be held on

15 December, 2021 3.00 p.m. (Vilnius time) at

Laisvės Ave. 10, Vilnius, LT-04215

The registration starts at 2.00 p.m. and closes at 2.45 p.m. (Vilnius time)

With continued uncertainty around the status of the COVID-19 pandemic and prevailing restrictions in place, the Group:

- asks to inform about the need to attend the EGM of Shareholders in person no later than 2 business days prior (or by 13 December 2021 inclusive) to the EGM of Shareholders by e-mail IR@ignitis.lt;
- reserves the right not to allow the participation of those shareholders who will not have personal protective equipment to participate in the EGM of Shareholders or those whose health condition is reasonably doubtful;
- asks the shareholders, instead of attending the EGM in person, to vote by filling in the general ballot paper and providing it in advance to the Group as the conditions of physically participating in the EGM may vary depending on the changes in legal requirements related to COVID-19 about which the Group will inform on its website at <https://ignitisgrupe.lt/en/gm>.

The agenda for the EGM of Shareholders and proposed resolutions are:

No.	Item	Proposed resolution	Arguments
1	Regarding the election of the Audit Committee members of AB “Ignitis grupė”	1.1. To elect the following as members of the Audit Committee of AB “Ignitis grupė” until the end of term of the current Audit Committee: 1.1.1. Ingrida Muckutė; 1.1.2. Judith Buss. 1.2. To establish that the elected members of the Audit Committee of AB “Ignitis grupė” shall start their activities upon the end of the General Meeting of Shareholders that elected them.	Annex 1-2
2	Regarding the assent to the transfer of 100 percent of shares of Tuuleenergia Osaühing to UAB “Ignitis renewables”	2.1. To assent to the decision of the Management Board of AB “Ignitis grupė” regarding the transfer of 100 (one hundred) percent of the shares of Tuuleenergia Osaühing as a non-monetary contribution in order to increase the authorised capital of UAB “Ignitis renewables” and, accordingly, to transfer 100 (one hundred) percent of shares of Tuuleenergia Osaühing to UAB “Ignitis renewables”.	Annex 3

Other information

Share capital and voting rights

The Group's share capital is EUR 1,658,756,293.81, divided into 74,283,757 ordinary registered shares with the nominal value of EUR 22.33 per each share. Each share carries one vote.

Agenda

The agenda of the EGM 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 EGM of Shareholders of the Group. The proposal to supplement the agenda of the respective EGM of Shareholders shall be accompanied by draft decisions or, where no decisions have to be taken, by explanations on each proposed agenda item of the EGM of Shareholders. The agenda shall be supplemented if the proposal is received no later than 14 before the respective EGM of Shareholders.

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

Record date of attendance and voting rights

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

The date of registration (or record date) is 8 December 2021. 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 EGM of Shareholders is at the discretion of the shareholder.

Voting

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

Obtaining general ballot paper

- may be downloaded from the Group's website: <https://ignitisgrupe.lt/en/gm>
- upon the written request, the Group shall send a general ballot paper by registered mail or deliver to the shareholder against signed acknowledgement of receipt at least 10 days prior (or by 5 December 2021) to the EGM of Shareholders

Ways of submitting general ballot paper

- completed and signed by qualified electronic signature general ballot paper shall be submitted by emailing IR@ignitis.lt
or
- completed and signed by physical signature general ballot paper 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 EGM of Shareholders i.e. no later than 15 December 2021, 2.45 p.m.

Important: if the general ballot paper is signed by an authorized 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 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 EGM 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 the law, which must be submitted before the EGM of Shareholders. The authorised representative shall enjoy the same rights in convened EGM of Shareholders as his represented shareholder would.

Shareholders entitled to attend the EGM 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 his behalf at an EGM 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 generation 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 EGM of Shareholders.

Questions

Any shareholder of the Group may present questions related to the agenda of the EGM 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 10 December 2021 inclusive) before the EGM 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 EGM of Shareholders in the form of questions and answers on the website of the Group at <https://ignitisgrupe.lt/en/gm>.

Webcast

The EGM of Shareholders will not be webcasted.

Language

EGM of Shareholders will be held in Lithuanian and simultaneously translated to English.

Available information

All statutory information related to the convened EGM 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 the law.

Other information

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

Annex 1: regarding the election of members of the Audit Committee of AB “Ignitis grupė”

On the 2nd of July 2021, the Ministry of Finance, an authority implementing the majority shareholder's (the Republic of Lithuania owns 73.08 % of the Group's shares) rights, has issued an order on the amendment of the Description of the Corporate Governance Guidelines for the State-Owned Energy Group approved on 7 June 2013 by the order No 1K-205 of the Minister of Finance of the Republic of Lithuania (hereinafter – Corporate Governance Guidelines). The amendments of the Corporate Governance Guidelines include changes in the procedure of forming the Group's Audit Committee resulting its members no longer being elected by the Group's Supervisory Board, but instead by the decision of the Groups General Meeting of Shareholders ([link](#)).

Following the adoption of the amendments to the Corporate Governance Guidelines, these changes were reflected in the Group's [Articles of Association](#). The Articles of Association stipulate that Audit Committee consists of 5 members, ensuring that majority of members of the Audit Committee are independent. Two candidates for the Audit Committee are nominated by the Supervisory Board.

The term of office of the Audit Committee was to expire on 12th of October 2021. To ensure the continuity of the activities of the Audit Committee, on 5th of July 2021, the Group announced the search and selection of independent members of the Audit Committee.

On 27 September 2021, the Group's General Meeting of Shareholders elected Irena Petruškevičienė, Saulius Bakas and Marius Pulkauninkas as independent members of the Audit Committee for a new four-year term (the term of office of the current Audit Committee expires on 26 September 2025) ([link](#)).

The Description of Requirements for Audit Committees approved by 24 January 2017 resolution of the Board of the Bank of Lithuania No 03-14 “On Approval of the Description of Requirements for Audit Committees” (hereinafter - the Description) sets out the requirements for audit committees, their composition, and responsibilities. The Description stipulates that members of the Audit Committee shall be suitably qualified and experienced with collegial knowledge in the field of finance, accounting, or audit of financial statements and in the sector in which the public interest entity operates.

In view of this, on 3 November 2021, the Group's Supervisory Board adopted a decision to submit to the General Meeting of Shareholders the candidacies of Ingrida Muckutė (member of the Supervisory Board, representative of the Ministry of Finance) and Judith Buss (independent member of the Supervisory Board) for the positions of members of the Audit Committee of the Group.

Annex 2: CVs of the Audit Committee candidates



Judith Buss

Judith Buss has more than 20 years of experience in various senior leadership positions in the global energy industry and financial markets and has worked internationally in Germany, Norway and the UK.

She has significant experience in corporate finance, leading and negotiating large international M&A growth acquisitions, integration processes and organizational and cultural change processes.

Judith has held several executive positions at E.ON group, most recently as Chief Financial Officer of E.ON Climate & Renewables. She also has experience in corporate governance serving as a member of several boards of directors in companies operating in Germany, Norway, the UK, Russia and Algeria.

Education:

- 2008 Leadership Programme, MIT, USA
- 2006 Leadership Programme, IMD, Switzerland
- 1995 Master of Business Administration (Banking, Finance and Controlling), University of Augsburg, Germany

Work experience:

- 2021 – until now Member of the Supervisory Board, Uniper SE, Germany
- 2017 – 2019 Group CFO at E.ON Climate & Renewables (EC&R), Essen, Germany
- 2016 – 2017 Head of Financial Governance at E.ON Nuclear, E.ON SE, Essen, Germany
- 2016 CFO at E&P North Sea Ltd., London, UK
- 2012 – 2015 CFO at E.ON Exploration & Production Norge AS, Stavanger, Norway
- 2007 – 2012 Group CFO and Managing Director at E.ON Ruhrgas Exploration & Production GmbH, Essen, Germany
- 2000 – 2007 Vice President Mergers & Acquisitions at E.ON SE, Duesseldorf, Germany



Ingrida Muckutė

Ingrida is a highly experienced accounting and reporting, financial audit regulation professional with a career of 17 years working at the Ministry of Finance. She started her career in the Ministry of Finance as a Director of Accounting Methodology Department in 2004, where she initiated and led the public sector accounting reform. In 2013, during Lithuania's presidency in the European Council, she was chairing Working Party on Company Law meetings on Audit Directive and Regulation. From then on, her responsibilities cover chairing the Committee of National Accounting Standards for private and public sectors. She also actively contributes to modernising the national systems of accounting, companies' insolvency and property and business valuation through proposals of legal initiatives.

Before her career in the Ministry of Finance, she worked as a financial controller at Konica Minolta Baltija and as a senior auditor in Arthur Andersen, and later in Ernst & Young Baltic.

Education:

- 1999 – 2001 Master's degree in Economics (Accounting, Finance and Banking), Vilnius University
- 1997 Financial Management Program, Uppsalla University, Sweden
- 1994 – 1998 Bachelor of Management and Business Administration, Vilnius University

Work experience:

- 2004 – until now Director of the Reporting, Audit, Property Valuation and Insolvency Policy Department at the Ministry of Finance of the Republic of Lithuania
- 2018 – 2021 Member of the Audit Committee of the Supervisory Board, AB "Ignitis grupė"
- 2013 Chair of the EU Council Working Party on Company Law (audit)
- 2013 Vice-Chair of the EU Council Working Groups on Company Law (Accounting)
- 2003 – 2004 Financial Controller, UAB "Konica Minolta Baltija"
- 1999 – 2003 Senior Auditor, UAB "Arthur Andersen" (later "Ernst & Young Baltic")

Annex 3: regarding the transfer of a 100% of shares of Tuuleenergia Osaühing

On 10 June 2021, the Management Board of the Group adopted the decision on initiation of consolidation project of Group's renewable energy companies, except for AB "Ignitis gamyba" (hereinafter – Consolidation project) ([link](#)).

The Consolidation project proposed to consolidate the operating and under-development wind energy (onshore and offshore), solar energy, waste and biofuel projects and competences. After reorganisation, the hydro energy segment – Kaunas HPP and Kruonis PSHP – would remain under a separate legal entity – AB "Ignitis gamyba".

The implementation of the Consolidation project complies with the Group's Strategy approved by the Supervisory Board of the Group on 19 June 2020, one of the priorities set out whereof is focused, sustainable and profitable green generation development in the region.

The Group controls 100 (one hundred) percent of Tuuleenergia Osaühing (hereinafter – Tuuleenergia) shares, which are planned to be transferred to UAB "Ignitis renewables" at this stage of Consolidation project.

On 9 November 2021, the Management Board of the Group adopted the decision to assent to the transfer of Tuuleenergia share as a non-monetary contribution to the authorised capital of UAB "Ignitis renewables" and, accordingly, (by increasing UAB "Ignitis renewables" authorised capital) to transfer 100 (one hundred) percent shares of Tuuleenergia to UAB "Ignitis renewables".

On 12 November 2021, the Audit Committee of the Group provided an opinion ([link](#)) that: Taking into account the information provided to the Audit Committee that the transaction value complies with the arm's length principle as the market value of Tuuleenergia share price was determined based on the asset valuation performed by an independent asset valuation expert, there is no reason to believe that the planned transaction – transferring Tuuleenergia share as a non-monetary contribution in order to increase the authorised capital of UAB "Ignitis renewables", would be concluded on non-market terms or would be unfair and unreasonable with respect to the Group's shareholders who are not parties to this transaction.

On 22 November 2021, the Supervisory Board of the Group adopted the decision to assent to the transfer of 100 (one hundred) percent of shares of Tuuleenergia as a non-monetary contribution in order to increase the authorised capital of UAB "Ignitis renewables" and, accordingly, to transfer 100 (one hundred) percent of shares of Tuuleenergia to UAB "Ignitis renewables".

It is noted that the authorised capital of UAB "Ignitis renewables" would be increased by issuing new shares. The newly issued shares of UAB "Ignitis renewables" would then be acquired by the Group by paying a non-monetary contribution – 100 (one hundred) percent of the shares of Tuuleenergia. The Tuuleenergia share could be transferred by concluding UAB "Ignitis renewables" share subscription agreement.

Pursuant to Article 54.5.1 of the Group's Articles of Association, the Management Board of the Group shall adopt decisions regarding the transfer, pledge, or other restriction or disposal of the shares or the rights attached thereto of companies of the Group that have strategic and significant importance to national security and which carry out manufacturing, distribution, supply activities in the energy sector, as well as of companies directly managed by the Group which carry out activities in the electricity production sector. In accordance with Article 56 of the Articles of Association, decisions of the Management Board can be implemented only after an approval of the General Meeting of Shareholders has been obtained.

In view of the above, the General Meeting of Shareholders shall adopt a decision regarding the approval to transfer 100 (one hundred) percent of the shares of Tuuleenergia to UAB "Ignitis renewables".