

Approved by the Management Board of AB "Ignitis grupė"
Entered into force: 1 March 2026
Policy owner – Accounting Management

Group Tax Policy



1. PURPOSE AND SCOPE

The Tax Policy establishes the key principles and action measures regarding taxes within the Group.

The Group tax policy shall apply to all companies of the Group, except it does not apply to Companies with other shareholders, but in order to comply with the principles specified in the Group tax policy, they must be established in their articles of association and (or) shareholders agreements.

2. TAX GOVERNANCE

The Group adheres to all applicable tax laws and regulations in every jurisdiction where it operates. The Group collaborates with tax authorities, legal advisors, and external experts to ensure that decisions, internal policies, and processes are updated and appropriately aligned.

The Group maintains tax governance by regularly reviewing and auditing tax filings and related processes. This approach ensures the identification and mitigation of potential risks, promoting timely corrective actions. Through an ongoing cycle of monitoring and auditing, relevant information is shared with the Group's management.

The Group's tax experts are involved in significant business developments, allowing for the timely assessment of potential tax consequences and the provision of optimal tax advice. This approach reduces potential tax exposure areas and enables the implementation of measures to mitigate financial, operational, and reputational risks.

3. TAX COMPLIANCE AND TRANSPARENCY

The Group ensures the timely submission of tax returns and reports to the tax authorities, payments on time to the State budget. This approach ensures

compliance with tax laws, strengthening the Group's credibility and reputation for conscientious and responsible operations.

The Group continuously monitors changes in tax laws and updates its positions and processes accordingly. In the event of significant business-related changes in tax laws, the Group internally assesses potential impacts and cooperates with the State institutions.

The Group upholds high requirements of transparency in its tax reporting by providing clear, accurate, and timely information to the tax authorities, investors, and stakeholders. As part of its commitment, the Group regularly publishes information on taxes paid in the Group's external reporting.

The Group avoids misleading tax practices and ensures that its tax disclosures accurately reflect its true economic activities, thereby reinforcing trust and credibility with tax authorities and the public.

The Group follows OECD international tax guidelines, including BEPS Action Plans, to prevent artificial profit shifting and ensure fair taxation in all operating jurisdictions. By aligning with these global tax principles, the Group promotes fair competition and contributes to a more equitable tax system.

The Group is applying only tax incentives that are legally approved and aligned with the applicable tax laws. Any tax incentives utilized must have a legitimate economic purpose. The Group ensures full transparency in claiming tax benefits and adheres to both local and international standards to maintain compliance, integrity, and responsible tax practices.

4. INTERCOMPANY TRANSACTIONS

Intercompany transactions within the Group should align with the "arm's length" principle and market conditions, as outlined in the OECD international tax guidelines as well as local tax laws.

The Group ensures proper documentation and justification for intracompany transactions by preparing annual transfer pricing documentation in accordance with OECD international tax guidelines and local tax laws. This process is conducted in consultation with independent external parties.

5. TAX PLANNING AND RISK MANAGEMENT

The Group avoids tax planning that involve complex or artificial arrangements designed solely to minimize tax liability without genuine business purpose. Any tax structures that do not have a legitimate commercial reason or fail to reflect real economic activities should be avoided. By adhering to best practices, the Group follows OECD international tax guidelines and BEPS Action Plans.

The Group aims to ensure that tax decisions are carefully assessed for potential risks and clearly documented to support these decisions. Proper documentation includes identifying potential tax risks, assessing their impact and ensuring that the Group's tax decisions are lawful, transparent and in compliance with legal requirements.

To strengthen tax risk prevention, the Group organizes training for employees involved in tax-related functions. These initiatives aim to enhance awareness of applicable tax regulations, compliance requirements, and the best practices. By equipping employees with the necessary knowledge and skills, the Group fosters a culture of compliance and ensures that tax-related responsibilities are managed effectively at all levels of the organization.

To prevent tax disputes, minimize tax risks, and gain clarity on unusual transactions, the Group proactively seeks advance confirmation from tax authorities through inquiries in writing or binding rulings. This approach ensures compliance with tax regulations, provides legal certainty, and helps avoid potential issues.

6. COOPERATION WITH STATE AUTHORITIES

The Group is committed to clear, open, and professional communication with State authorities, fostering a trusting relationship in the tax field. The Group ensures accurate and timely responses to all State authorities' inquiries in relation with taxes, supported by relevant documentation. It prioritizes meeting deadlines and promptly communicates in advance in case of any delays.

The Group proactively addresses tax issues and works collaboratively with Tax Authorities to prevent inconsistent interpretations of tax laws, misunderstandings, and tax disputes.

7. SOCIAL RESPONSIBILITY AND ETHICAL TAX BEHAVIOR

The Group ensures that taxes are paid in the jurisdictions where economic activities and value generation actually occur. This means that the tax obligations reflect the true location of the business's operations, employees, and assets, ensuring that tax payments align with the economic contribution made by the Group in each region. By doing so, the Group supports local economies, maintains compliance with tax laws, and promotes a fair distribution of tax revenue, contributing to the communities in which it operates.

The Group strongly avoids using tax havens or low-tax jurisdictions merely as a means to reduce tax liabilities without any substantive business operations in those regions. It adheres to principles of transparency, fairness, and compliance by ensuring that its tax structures are not driven by tax avoidance motives but are instead aligned with the genuine business activities and economic substance. The Group seeks to minimize risks associated with reputational damage and legal challenges by refraining from relying on such arrangements that could be perceived as aggressive tax planning or tax avoidance.

8. IMPLEMENTATION AND REVIEW

The Tax Policy Owner is responsible for the preparation, review, consultation and implementation of the Tax Policy.

The implementation and enforcement of the Tax Policy in the Group's companies and functions are the responsibility of their managers and/or their delegated persons. By implementing the Tax Policy, they cooperate with the Tax Policy Owner.

The Tax Policy is publicly available on the website of AB Ignitis Grupė.

9. TERMS AND ABBREVIATIONS

General terms shall be defined in the [Glossary](#):

Group	AB „Ignitis grupė“ and its directly and indirectly controlled legal entities
OECD	Organisation for Economic Co-operation and Development
BEPS	Base erosion and profit shifting