

Approved by the Board of AB Ignitis grupė

Effective as of: 1 January 2026

Policy owner – Group procurement

Group Public Procurement Policy



1. PURPOSE AND SCOPE

The Group's Supply Chain includes the system and processes that define how goods, services, and works are procured and managed across the Group's entire value chain. This system comprises the Group Public Procurement Policy, Group Policy on Commercial or Regulated Procurement, Strategic Sourcing and Category Management, contract and supplier management processes (Group Supplier Code of Ethics).

The purpose of the Group's Public Procurement Policy (hereinafter referred to as the Policy) is to establish the principles for the management and execution of public procurement within the Group in order to acquire goods, services, and works, ensuring responsible and efficient use of funds and the compliance of procurement with legal requirements.

The Policy applies to all Companies that are contracting authorities or contracting entities under national legislation, and only to procurements that fall within the scope of public procurement regulation.

Company procurements that are not subject to the requirements of national legislation regulating public procurement are not covered by the Policy and are carried out in accordance with the [Group's Commercial Procurements or Regulated Procurements Policy](#) and the internal legislation implementing it.

In the Policy, public procurement is referred to as procurement. Procurement includes the stages of procurement planning, initiation, and execution up to the conclusion of the procurement contract.

2. PRINCIPLES OF PROCUREMENTS REGULATION

Procurements in the Group are carried out in accordance with the requirements of Directives 2014/24/EU on public procurement and 2014/25/EU on entities operating in the water, energy, transport, and postal services sectors, adopted by the European Parliament and the Council on February 26, 2014 (hereinafter referred to as the Directives); national laws implementing the aforementioned Directives and subordinate legislation regulating procurement.

The principles of procurement management and execution set out in this Policy are implemented through uniform procurement requirements across the Group, as regulated by the Procurement Function.

3. PRINCIPLES OF PROCUREMENT MANAGEMENT

The Procurement Function oversees, regulates, improves, and coordinates the management of the procurement process and is otherwise responsible for it within the Group.

Procurement management decisions are made by assessing and taking into account the expectations of internal and external stakeholders, to the extent that they can be reconciled with each other and with the interests of the Group.

Various procurement solutions are applied to manage procurement in the Group, which aim to ensure the effectiveness and quality of procurement, a competitive and reasonable price for the procured object, a balance between costs and benefits, process efficiency, and optimal use of resources.

Procurements within the Group are centralized. The Group's procurements are carried out by UAB "Ignitis grupės paslaugų centras", which has been granted the right to perform the functions of the Group's central purchasing organisation (hereinafter referred to as the Group's CPO), except in the cases listed below.

The following procurements are carried out by the Company initiating the procurement itself:

- procurements in which UAB "Ignitis grupės paslaugų centras" is interested in participating as a supplier;
- procurements initiated by Companies registered and operating abroad;
- procurements in other cases provided for in internal legal acts implementing the Policy.

In cases provided for in national legislation, procurements carried out jointly with external companies may be conducted either outside the Group's CPO or outside the Company itself.

The Companies grant the Group CPO all necessary powers to organize procurement activities and carry out the Companies' procurements, the relationship between the Companies and the Group CPO is defined in the concluded service agreements. In cases where the powers to perform certain actions in accordance with legal acts cannot be granted to the Group CPO, such

actions shall be performed by the Company initiating the procurement itself, ensuring compliance with the requirements of legal acts.

The Procurement Function represents the Companies in relations with third parties on procurement management issues. Issues related to the need for procured objects are represented by the Company initiating the procurement, while issues related to the execution of procurement are represented by the Group's CPO.

The Company initiating the procurement is responsible for identifying the procurement needs, planning the funds for them, and establishing and evaluating the requirements related to the procurement object, as well as for concluding and implementing the procurement contracts.

The Group CPO is responsible for organizing the procurement process assigned to it, executing procurement procedures and ensuring the legality of their decisions and compliance with the requirements of the legislation governing procurement.

The detailed responsibilities of the Company initiating the procurement and the Group CPO, as well as the roles of employees at each stage of the procurement process, are determined by the Group CPO.

Group Companies may participate in the procurement of other Group Companies as suppliers. This does not give such a Company a competitive advantage in the procurement in which it participates.

Procurement processes are managed and procurement data is collected in a centralized Group procurement information system and in an information system administered by the Public Procurement Service or another national public procurement information system. Information is collected to the extent necessary to ensure the traceability of decisions, the exchange of necessary data, the effective monitoring of procurement management within the Group, to enable data-driven decisions to be made, and to ensure compliance with legal requirements for the storage of procurement information.

Employees involved in procurement are provided with opportunities to improve and certify their qualifications in order to ensure that they are prepared to perform their assigned functions properly.

4. PRINCIPLES OF PROCUREMENT EXECUTION

Procurement shall be carried out in accordance with applicable national legislation and the requirements defined by the Procurement Function. In order to ensure a smooth procurement process and effective representation of the interests of the Companies, the Company initiating the procurement is involved in the procurement procedures and the most important procurement decisions.

When determining procurement needs, the Company's available resources and the possibilities for their reuse are taken into account, as well as the Group's previous procurement experience and innovations and solutions offered on the market. In procurement, the search for competitive offers and innovative solutions on the market is encouraged.

In the procurement process, supplier selection risks may be assessed and measures taken to manage these risks.

Within the limits permitted by law, the Group prohibits the participation in procurement of suppliers and manufacturers associated with countries that pose security risks to Lithuania or the Group's companies, as well as the purchase of products originating from these countries, except in extraordinary cases when necessary for technical or economic reasons and security can be ensured by other means and the necessary decisions are taken in accordance with the procedure established by the Procurement Function.

Sustainability requirements (environmental, social responsibility, governance) are integrated into procurement. The primary objective of procurement is to contribute to the achievement of the Group's strategic sustainability goals, sustainable development, climate change mitigation, and the implementation of the European Green Deal and other international and national legislation and initiatives, as well as the transition to sustainable energy.

The aim is for the Group's suppliers to comply with environmental, social, and governance expectations defined in the Supplier Code of Ethics.

Company employees carry out procurement impartially, i.e. objectively, professionally, without prejudice, in accordance with the principles of equal treatment of all suppliers, non-discrimination, proportionality, and transparency.

Only employees who have declared their interests and impartiality in accordance with the procedure established by law may participate in procurement.

The confidentiality of the information received in the procurement process is ensured to the extent established by law.

Key decisions in procurement are made in accordance with the "four eyes" principle.

Any employees of the Companies who have the necessary knowledge or experience in a particular field may be consulted on the object of procurement during the procurement process.

IMPLEMENTATION AND MONITORING

The Policy Owner - Procurement Function.

The Policy Owner is responsible for the preparation of the Policy, its review, the provision of advice on the application of the Policy provisions and the monitoring of the implementation of the Policy.

The implementation and enforcement of the Policy in the Group of Companies and Functions are the responsibility of their managers and/or their delegated persons. They shall cooperate with the Policy Owner in implementing the Policy.

The Group's internal regulations may establish requirements for procurement to the extent that they do not conflict with the public procurement legislation.

To ensure the implementation of the requirements set by the Policy and the Procurement Function, the Companies regulate the procurement processes within the Company. They may specify or additionally regulate the execution of procurement to the extent that does not conflict with the Policy and the procurement regulations established by the Procurement Function. Draft internal legal acts of the Companies related to the execution and management of procurement must be coordinated with the Procurement Function.

The Policy is published publicly.

TERMS AND ABBREVIATIONS

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

Group	AB “Ignitis Grupė” and its directly and indirectly controlled legal entities.
Company	any company of the Group.
Procurement Function	activities that enable and support the Company's procurement management and execution, as specified in the AB “Ignitis grupė” Group Governance Policy.

