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| Title of the normative internal legal act | <b>Group Financial Support and Humanitarian Aid Policy</b> |
| Title of the process                      | Financial Support and Humanitarian Aid Management          |
| Process owner (unit)                      | Group Communications                                       |
| Approving company                         | AB "Ignitis grupė"   |
| Approving person/body                     | Management Board of AB "Ignitis grupė"                     |
| Date of entry into force                  | Effective upon its approval                                |

## GROUP FINANCIAL SUPPORT AND HUMANITARIAN AID POLICY

### 1. PURPOSE AND SCOPE

- 1.1. The purpose of the Policy is to regulate the cases when and in what way the Group can provide the Support Items and/or Humanitarian Aid Items gratuitously, establish unified principles for providing Financial Support and Humanitarian Aid.
- 1.2. The Policy aims to ensure that:
  - 1.2.1. the provided Financial Support reaches the target groups whose activities and initiatives align with the Group values, principles of sustainable business development, [strategy](#) and is provided in the scope of renewable energy projects and/or that are under development and/or managed, and/or activities carried out in the green Green Generation segment;
  - 1.2.2. the provided Financial Support reaches the education institutions, including specialised funds in the field of education, whose activities and initiatives meet the Group's values as well as contributes to/ensures the preparation of specialists and attracts human resources necessary for the implementation of the Group's [strategy](#);
  - 1.2.3. Humanitarian Aid is provided to Ukraine by contributing to the recovery (reconstruction) of Ukraine's energy infrastructure, which has been affected by war;
  - 1.2.4. the Financial Support is provided in a transparent, impartial, purposeful manner while following the Code of Ethics and unified principles.
- 1.3. The Policy shall apply to all Group Companies.

### 2. TERMINOLOGY

- 2.1. **Group** – AB "Ignitis grupė" and the legal entities it controls directly or indirectly.
- 2.2. **Humanitarian Aid** – measures aimed at saving human lives, alleviating their suffering and preserving their dignity in the face of adversities caused by human actions and in their aftermath. This type of aid also includes the reducing the risk of disasters, including the preparation for disasters and recovery afterwards.
- 2.3. **Humanitarian Aid Item** – monetary funds and/or movable property that is no longer used.
- 2.4. **Humanitarian Aid Provider** – a Group Company that, in accordance with the provisions of this Policy, has the right to provide Humanitarian Aid.

- 2.5. **LCS** – the Law on Charity and Sponsorship of the Republic of Lithuania, including all its amendments and supplements.
- 2.6. **Application** – the established application form to receive Financial Support, which must be completed by the Applicant when applying for Financial Support.
- 2.7. **Financial Support** – voluntary and gratuitous, except for commitments of the Support Recipient permitted by the LCS, provision of Support Items to the Support Recipients according to the procedure set out in the Policy and/or the Rules without violating the provisions of the LCS.
- 2.8. **Support Item** – monetary funds.
- 2.9. **Support Recipient** – the Applicant who complies with the requirements to receive the Financial Support and who is granted Financial Support.
- 2.10. **Support Agreement** – the agreement concluded between the Support Recipient and the Support Provider on the granting of Financial Support.
- 2.11. **Support Provider** – a Group Company that, in accordance with the provisions of this Policy, has the right to grant Financial Support.
- 2.12. **Applicant** shall mean an entity that seeks to receive the Financial Support and has submitted the Application to receive the Financial Support.
- 2.13. **Policy** – the Group Financial Support and Humanitarian Aid Policy, this document.
- 2.14. **Rules** – the Financial Support Management Rules of the Support Provider, including their later amendments and supplements. The Management Board of UAB “Ignitis renewables” shall approve the Financial Support Management Rules, which shall apply jointly to UAB “Ignitis renewables” and its subsidiaries, including lower tier subsidiaries.
- 2.15. **Manager** – the sole management body of the Support Provider, i.e., the CEO and/or a member of the Management Board (in a foreign jurisdiction).
- 2.16. **Management Board** – the collegial management body of the Support Provider.
- 2.17. **LDCHA** – the Law on the Development Cooperation and Humanitarian Aid of the Republic of Lithuania, including all its amendments and supplements.
- 2.18. **Application Evaluation Committee** – the body that evaluates the Applications.

### 3. GENERAL PROVISIONS

- 3.1. The Financial Support may be granted only by AB “Ignitis grupė”, UAB “Ignitis renewables” and its subsidiaries and lower tier subsidiaries as well as UAB Kauno kogeneracinė įmonė, UAB Vilniaus kogeneracinė įmonė and AB “Ignitis gamyba”. The objectives of granting Financial Support by these companies are set out in clauses 4.1 to 4.4 of the Policy.
- 3.2. When providing Financial Support, the Support Provider shall follow the Civil Code of the Republic of Lithuania, European Union and national legal acts regulating the state aid,

- including LCS and other legal acts regulating the granting of Financial Support, its Articles of Association, this Policy, the approved Rules and other internal legal acts.
- 3.3. Financial Support shall be granted in monetary funds only.
  - 3.4. The amount allocated by the Support Provider for Financial Support shall be determined while following the requirements of the procedure established in legal acts and the maximum permissible Financial Support amount.
  - 3.5. The Financial Support management procedure, the Financial Support provision principles and other issues related to Financial Support shall be established in the Rules. The Rules must ensure the legitimate, transparent, honest and effective provision and use of Financial Support while working towards objectives useful to public set out in the Policy. The draft Rules (or the amendment thereof) must be coordinated with the owner of the Policy.
  - 3.6. The Support Provider may only grant Financial Support if it does not have tax arrears to the state budget of the Republic of Lithuania, the budgets or funds of municipalities which are administered by the State Tax Inspectorate Under the Ministry of Finance of the Republic of Lithuania, also debts with overdue payments to the budget of the State Social Insurance Fund as well as unfulfilled debt obligations according to the loan agreements and other obligatory debt documents concluded with the Ministry of Finance of the Republic of Lithuania or according to agreements with state guarantees.
  - 3.7. The competence of the General Meeting of Shareholders, the Management Board, the Application Evaluation Committee and the CEO of the Support Provider, including the procedure of making decisions on the issues related to the Financial Support, shall be detailed in the Articles of Associations, Rules and/or other legal acts of the Support Provider.
  - 3.8. The Management Board of AB "Ignitis grupė" shall establish an Application Evaluation Committee, which shall examine and evaluate at the Group level the compliance of the Applications received by the Support Providers with the criteria for granting Financial Support established in the Rules of the Support Provider. It shall also evaluate how the Financial Support granted by the Support Provider is used. Application Evaluation Committee shall comprise at least 5 (five) employees of Group Companies. The employees of Support Providers may comprise less than half of the members of the Application Evaluation Committee. Committee chair shall be an employee of a Group Company (excluding the Support Providers who received the Applications which will be evaluated by the Application Evaluation Committee), who shall be appointed by the Management Board of AB "Ignitis grupė" from amongst the members of the Application Evaluation Committee. The Application Evaluation Committee shall operate by following the Rules of Procedure of the Application Evaluation Committee approved by the Management Board of AB "Ignitis grupė" and the Rules of the Support Provider whose Applications it is evaluating.
  - 3.9. The Application Evaluation Committee shall not constitute a body of the Support Provider. The main role of the Application Evaluation Committee shall be to evaluate the submitted Applications and provide the conclusions, suggestions as well as perform other functions within the scope of the competences granted to it in the rules of procedure.

#### **4. OBJECTIVES, MAIN CRITERIA AND PRINCIPLES OF GRANTING FINANCIAL SUPPORT**

- 4.1. AB "Ignitis grupė", UAB "Ignitis renewables" and its subsidiaries and lower tier subsidiaries as well as UAB Kauno kogeneracinė jėgainė, UAB Vilniaus kogeneracinė jėgainė may grant Financial Support to education institutions, also foundations specialised in education, in order to strengthen the quality of the fields of study important to the strategic business segments of the Group as well as promote the attractiveness and/or popularity of these fields of study and/or professional career in the energy sector, to promote scientific research in

these fields of study if it complies with the criteria for granting Financial Support established in the Rules.

- 4.2. UAB Kauno kogeneracinė įėgainė, UAB Vilniaus kogeneracinė įėgainė may grant Financial Support to social, education, arts, culture, science and sport (excluding professional, extreme and high-risk sport) projects and activities organised by the communities located in the vicinity of where the companies operate or develop their activities, including other purposes (activities) of such communities that, according to the LCS, are considered as beneficial to the public. The aim is to grant the Financial Support to the projects and/or activities in these communities that meet the criteria for granting Financial Support set out in the Rules the best and also contribute to the establishment and promotion of long-term cooperation between the company and the community, also projects and/or activities that are relevant to the company's business goals.
- 4.3. UAB "Ignitis renewables", its subsidiaries and lower tier subsidiaries may grant Financial Support to social, education, arts, culture, science and sport (excluding professional, extreme and high-risk sport) projects and activities organised by the communities located in the vicinity of where either of these companies operate or develop their activities and/or the entities acting for the benefit of such communities, including other purposes (activities) of such communities and/or entities acting for the benefit of such communities that, according to the LCS, are considered as beneficial to the public. The aim is to grant the Financial Support to the projects and/or activities of these communities and/or entities acting for their benefit that meet the criteria for granting Financial Support set out in the Rules the best and also contribute to the establishment and promotion of long-term cooperation between the company and the community, also projects and/or activities that are relevant to the company's business goals.
- 4.4. AB "Ignitis gamyba" may grant Financial Support to social, education, science, environmental projects and activities of the communities operating within the territory (municipality) provided for in the Rules, where the company operates or develops its activities, and/or entities acting for the benefit of such communities, including other purposes (activities) of such communities and/or entities acting for their benefit that, according to the LCS, are considered as beneficial to the public. The aim is to grant the Financial Support to the projects and/or activities of these communities and/or entities acting for their benefit that meet the criteria for granting Financial Support set out in the Rules the best and also contribute to the establishment and promotion of long-term cooperation between the company and the community, also projects and/or activities that are relevant to the company's business goals.
- 4.5. The Financial Support shall not be granted to and cannot be used for:
  - 4.5.1. financing political parties, state politicians, political advertisement or political campaigns and covering debt obligations of participants of political campaigns that have occurred during the period of political campaigns or are related to political campaigns;
  - 4.5.2. funds and establishments established by public servants of political (personal) confidence, the Parliament (Seimas) of the Republic of Lithuania, the Government, members of the municipality boards, members of single and collegial management bodies of political parties, their close relatives, spouses, partners, when the partnership is registered according to the procedure set out in law. The persons listed in this clause shall not participate in the evaluation of the Applications or make decisions on granting the Financial Support;
  - 4.5.3. professional, extreme and high-risk sports, activities that popularise and/or are related to any form of gambling, alcoholic beverages, tobacco products or other intoxicants and/or other activities that have or can have negative impact on the public and/or part of it;

- 4.5.4. if the unconsolidated net profit of the Support Provider over the financial reporting year is negative (it incurred losses);
- 4.5.5. Support Recipient has violated the principal conditions of the Support Agreement concluded with the Support Provider while executing previously concluded Support Agreement with the Support Provider and, due to the violation, the Support Agreement was terminated and the period of 3 (three) years has not passed since the full compensation of the Financial Support to the Support Provider;
- 4.5.6. if the projects and/or activities, and/or purposes of the communities (and/or entities acting for their benefit) referred to clauses 4.2, 4.3 or 4.4 of the Policy are contrary to the Group's strategy and/or sustainable business principles, and/or the Group Code of Ethics;
- 4.5.7. in other cases provided for in the Rules of a specific Support Provider.
- 4.6. The Financial Support may be granted only to the recipients listed in clauses 4.1 to 4.4 of the Policy:
  - 4.6.1. to legal entities incorporated in the Republic of Lithuania that have the status of a Support Recipient, that had been registered in the Register of Legal Entities at least 1 (one) year prior to the date of submission of the Application and meet the requirements established in the LCS, other legal acts and the Rules;
  - 4.6.2. to legal entities registered in a country in the European Economic Area that are not for profit and whose profits may not be allocated to their participants. Such legal entity has to have been registered as a legal entity in the register of legal entities of a country in the European Economic Area at least 1 (one) year prior to the date of submission of the Application and meet the requirements established in the LCS, other legal acts and the Rules.
- 4.7. Key principles for granting Financial Support:
  - 4.7.1. compliance with activities of the Support Provider – when evaluating the Applications and making decisions whether to grant Financial Support, it must be ensured that the Financial Support is received by those Applicants whose stated and reasonably substantiated objectives for using the Financial Support are most in line with the Support Provider's operational objectives, sustainability policies (if applicable) and the Support Provider's values;
  - 4.7.2. relevance – Financial Support shall be granted only to Applicants whose activities, projects, initiatives create value in areas where the Support Provider operates at a regional or national level;
  - 4.7.3. transparency – all Applications shall be subject to uniform, clear and understandable criteria for evaluating and granting Financial Support;
  - 4.7.4. impartiality – in cases when the Application evaluation may result in conflict of interests, when evaluating an Application or making a decision, the Application Evaluation Committee member must remove themselves from the Application evaluation and the decision making processes.
- 4.8. The Rules of UAB “Ignitis renewables”, its subsidiaries and lower tier subsidiaries as well as UAB Kauno kogeneracinė įėgainė, UAB Vilniaus kogeneracinė įėgainė, AB “Ignitis gamyba” shall establish the criteria for granting Financial Support to communities which would allow to verify the project's, activity's or object's, for which the Financial Support is requested,

value to the community, Support Provider's business goals, tangibility, feasibility, relevance to social norms, practicability, etc.

- 4.9. The Rules of Support Provider may determine other principles for granting Financial Support that are consistent with and supplement the Policy and legal acts.

## **5. GENERAL PROVISIONS FOR PROVIDING HUMANITARIAN AID**

- 5.1. The Humanitarian Aid may only be provided by AB "Ignitis grupė", AB "Ignitis gamyba", UAB "Ignitis" and AB "Energijos skirstymo operatorius" for the objectives laid down in clause 5.2 of the Policy.
- 5.2. The objective of Humanitarian Aid is to meet the needs of Ukraine, which has suffered from the military and/or armed hostilities, related to the energy sector by transferring the Humanitarian Aid items necessary to recover (reconstruct) the Ukraine's energy infrastructure.
- 5.3. AB "Ignitis grupė" shall grant Humanitarian Aid by transferring the monetary funds available to it to international organisations gratuitously (including the cases where the international organisation is acting as a trustee of a state authority of Ukraine).
- 5.4. AB "Ignitis gamyba", UAB "Ignitis" and AB "Energijos skirstymo operatorius" shall provide Humanitarian Aid by gratuitously transferring the movable property owned and no longer used by the companies to international organisations, state or municipal authorities of Ukraine; at the request of public legal entities of Ukraine or public authorities of Ukraine, to other legal entities which were authorised or instructed by Ukraine to take measures and actions in pursuit of humanitarian aid objectives.
- 5.5. The Humanitarian Aid Provider shall provide Humanitarian Aid at the request of the entities listed in clauses 5.3 or 5.4 of the Policy.
- 5.6. When providing Humanitarian Aid, the Humanitarian Aid Provider shall follow the international humanitarian law, European Union and national legal acts regulating competition, LDCHA, other laws and legal acts regulating Humanitarian Aid, its Articles of Association, this Policy as well as its internal legal acts.
- 5.7. When providing Humanitarian Aid, the Humanitarian Aid Provider shall adhere to foreign policy priorities and international commitments as well as follow the principles of humanitarian activities established in LDCHA.
- 5.8. The Humanitarian Aid Provider may provide Humanitarian Aid only if:
- 5.8.1. it does not have tax arrears to the state budget of the Republic of Lithuania, the budgets or funds of municipalities which are administered by the State Tax Inspectorate Under the Ministry of Finance of the Republic of Lithuania, also debts with overdue payments to the budget of the State Social Insurance Fund as well as unfulfilled debt obligations according to the loan agreements and other obligatory debt documents concluded with the Ministry of Finance of the Republic of Lithuania or according to agreements with state guarantees;
- 5.8.2. its preliminary or approved unconsolidated net profit over the financial reporting year is positive (no losses incurred).
- 5.9. The Management Board of the Humanitarian Aid Provider shall make decisions on the internal legal act which will detail (define) the procedure for coordinating the decisions on providing Humanitarian Aid with competent authorities and making decisions, the conditions and procedure of providing Humanitarian Aid. The draft internal legal acts (or the amendment thereof) must be coordinated with the owner of the Policy.

- 5.10. The intention of AB “Ignitis gamyba”, UAB “Ignitis” and AB “Energijos skirstymo operatorius” to provide Humanitarian Aid based on an individual request shall be subject to the approval of the owner of this Policy.
- 5.11. Before making a decision on the provision of Humanitarian Aid based on an individual request, the Humanitarian Aid Provider must obtain the approval of the Ministry of Finance of the Republic of Lithuania that the provision of Humanitarian Aid is appropriate, which shall be subject to the recommendation of the Ministry of Foreign Affairs of the Republic of Lithuania on the compatibility of the humanitarian aid with the priorities of the foreign policy of the Republic of Lithuania and with the international commitments.
- 5.12. The Humanitarian Aid Provider must inform the following about the decision to provide Humanitarian Aid:
- 5.12.1. the owner of the Policy;
- 5.12.2. the Ministry of Foreign Affairs of the Republic of Lithuania within the time limits set out in the LDCHA.

## **6. PUBLICITY**

- 6.1. The Support Provider shall publish the following information about the provided Financial Support no later than in 1 (one) month from the provision of the Financial Support:
- 6.1.1. Support Recipient (Recipients);
- 6.1.2. Support objective;
- 6.1.3. Support amount;
- 6.1.4. Support period.
- 6.2. Support Provider shall also publish:
- 6.2.1. the Policy;
- 6.2.2. the Rules;
- 6.2.3. the summary of reports on utilising the Financial Support submitted by the Support Recipients to the Support Provider. The information provided in the Financial Support utilisation reports shall be published insofar it does not violate the LCS, the Law on Legal Protection of Personal Data of the Republic of Lithuania and other legal acts;
- 6.2.4. the Support Application form, the Support Application evaluation form, the draft Support Agreement;
- 6.2.5. Application submission and evaluation deadlines (if any);
- 6.2.6. the share of funds allocated by the Support Provider for Financial Support (the amount);
- 6.2.7. contacts which provide information about the activities of the Support Provider;
- 6.2.8. information about the Financial Support provided by the Support Providers for the current year and at least for the last 3 (three) financial years;
- 6.2.9. other information provided for in the Rules, internal legal acts of the Support Provider, the LCS.
- 6.3. The information referred to in clauses 6.1 to 6.2 of the Policy shall be made publicly available by the Group Companies on the AB “Ignitis grupė” or their own websites.
- 6.4. Public access to the information, excluding the publishing of the Policy, shall be ensured by the Manager of the Support Provider.
- 6.5. The Humanitarian Aid Provider shall publish:

- 6.5.1. the Policy;
- 6.5.2. its internal legal act regulating the provision of Humanitarian Aid;
- 6.5.3. the information about the Humanitarian Aid provided by the Humanitarian Aid Provider for the current year and at least for the last 3 (three) financial years;
- 6.6. The Humanitarian Aid Provider shall publish the information publicly about the granted Humanitarian Aid on its website no later than within 1 (one) month after granting the Humanitarian Aid.
- 6.7. Each calendar year, the owner of this Policy shall submit the information to the Supervisory Board of the Parent Company on the Financial Support and Humanitarian Aid granted by the Group Companies by the end of the 1st (first) half of the year.

## **7. FINAL PROVISIONS**

- 7.1. The Support Providers and the Humanitarian Aid Providers shall implement the Policy in its maximum capacity by ensuring the compliance with the provisions of their Articles of Associations, the LCS, the LDCHA and other effective legal acts.
- 7.2. The owner of the Policy, the Head of Communications function, shall be responsible for preparing and updating the Policy.
- 7.3. The Head of Communications function shall be responsible for the implementation and control the Policy.
- 7.4. The Policy shall be made public to ensure the transparency of Financial Support and Humanitarian Aid.
- 7.5. The policy and its amendments shall be approved by the Management Board of AB “Ignitis grupė”.

## **8. RELATED LEGAL ACTS**

[Law on Charity and Sponsorship of the Republic of Lithuania](#)

[Law on the Development Cooperation and Humanitarian Aid of the Republic of Lithuania](#)

[Code of Ethics of AB “Ignitis grupė”](#)

[Rules of Procedure of the Group Application Evaluation Committee](#)

[Financial Support Management Rules of AB “Ignitis grupė”](#)

[Financial Support Management Rules of UAB “Ignitis renewables” and its Subsidiaries](#)

[Financial Support Management Rules of UAB Kauno kogeneracinė jėgainė](#)