

## INTEREST MANAGEMENT POLICY

Goal	Scope of application
To establish an effective interest management system operating within the Group, through which Conflicts of Interest that may arise for Employees, members of the Board and Committees, would be identified in a timely manner and resolved effectively, thus ensuring the transparency and objectivity of decisions made in the Group.	All companies of the Group.

### 1. Definitions and abbreviations used

1.1. The definitions or abbreviations used in the Policy have the following meanings:

Definition	Meaning
<b>Close persons</b>	A spouse, cohabitant, partner, when a partnership is registered in accordance with the procedure established by law (hereinafter - a partner). Also, parents (adoptive parents), children (adoptive children), brothers (step-brothers), sisters (step-sisters), grandparents, grandchildren and their spouses, cohabitants or partners of an Employee or member of the Board or Committees, or partner.
<b>Conflict of interests</b>	A situation where an Employee, member of the Board or Committees, in the course of his/her duties or functions, must make a decision or participate in making it, as well as fulfil an assignment and this is related to his/her Private Interests. Participation in discussions, signing of documents, their coordination, familiarization with documents and other actions of a similar nature are equated with making a decision.
<b>Law</b>	Law on the Adjustment of Public and Private Interests of the Republic of Lithuania.
<b>Committee/Committees</b>	Advisory Remuneration and Appointment and Audit Committees of the EPSO-G Board or other <i>ad hoc</i> committees
<b>PINREG Declaration</b>	The form of the Declaration of Private Interests approved by the decision of the Chief Official Ethics Commission.
<b>PINREG</b>	Register of Private Interests managed by the Chief Official Ethics Commission.
<b>Private Interests</b>	Interest of an Employee, member of the Board or Committees in personal monetary or non-monetary benefit, as well as financial, moral, or other obligations of them or their close persons, including moral debts or personal relationships, which may have a direct or indirect influence on decision-making, participation in their making and/or fulfilment of orders.  Financial, moral, or other obligations of an Employee or member of the Board or Committees to persons related to them by friendship, partnership, or other type of relationship, may be recognized as Private Interest after the assessment of the individual situation.
<b>Board</b>	Board of a Company of the Group
<b>Internal Declaration</b>	The form of the Declaration of Private Interests is approved by the decision of the Board of EPSO-G.

1.2. The Policy also uses the definitions as defined in Annex No. 1 “List of Definitions Used in Group-Level Documents” to the Corporate Governance Policy of the Group of Companies of EPSO-G PJSC.

## 2. General provisions

2.1. The interests of Employees, the Board, and Committee members in the Group are managed in accordance with the following principles:

2.1.1. **Responsibility.** Employees, members of the Board and Committees are guided by the principle of the Group's common priority (while ensuring the implementation of the principle of independence of the Group's companies), - are loyal to the companies of the Group, act honestly and reasonably, cooperate, do not abuse their rights, avoid situations where their Private interests may conflict or contradict the interests of the companies of the Group, and are also personally responsible for the fulfillment of the obligations provided for in this Policy and other legislation related to the management of interests.

2.1.2. **Integrity.** Management of interests is an integral part of the daily activities of the companies of the Group, inseparable from the performance of the duties and functions of Employees and members of the Board and Committees.

2.1.3. **Dynamism.** The interest management system in the Group is constantly improved, taking into account changes in the external or internal environment, changes in legal requirements, emerging risks, and assessing good interest management practices.

2.1.4. **Priority of the Group's interests.** The activities carried out by the companies of the Group and the decisions made ensure the supremacy of the interests of the companies of the Group over the Private interests of the Employees and members of the Boards and Committees.

2.2. The rules for the management of Employee interests detailing the policy are regulated by the internal legislation.

2.3. The legal and compliance department of EPSO-G establishes a unified interest management standard in the companies of the Group, ensures the development of an effective interest management culture in the Group and the dissemination of good practices. Individuals are appointed in the companies of the Group to ensure an effective interest management system in them, in accordance with the standard set by the Group. Exceptions to the Group's interest management standard may be established only with the approval of the Head of the Group's Compliance Management Function.

## 3. Interest Management Measures

### 3.1. Declaration of Private Interests

3.1.1. The Group operates an integral model of Declaration of Private Interests, which includes: (i) Declaring of Private Interests in the PINREG Declaration in accordance with the requirements of the Law and (ii) Submission of an Internal Declaration in accordance with the procedure established by this policy. This model provides an opportunity for Employees and members of the Board and Committees and candidates for these positions, to disclose, when established by this policy, detailed information about circumstances that may affect the occurrence of Conflicts of Interest.

3.1.2. Employees, members of the Boards and Committees and candidates for these positions, submit an Internal Declaration in the form specified in Annex 1, when established in this policy. The main rules for submitting an Internal Declaration are specified in Annex No. 2 to this policy.

3.1.3. Members of the Boards and Employees, whose positions and/or functions performed require to declare Private Interests in accordance with the Law, indicate them in the PINREG declaration in accordance with the procedure established by the Law, disclosing additional information in the Internal Declaration.

3.1.4. Companies of the Group may establish exceptions to the submission of an Internal Declaration for certain categories of employee positions, for example, those without a computerized workplace.

### 3.2. Actions of interest monitoring, supervision, and control

3.2.1. In order to examine possible situations of Conflicts of Interests before selecting (appointing) persons to positions, the circumstances specified in the Internal Declarations of candidates who, in accordance with Annex No. 2 to the policy, are required to declare Private Interests at this phase are assessed during the selections conducted by the Group.

3.2.2. If it is determined that the positions sought by the candidate are related to his/her Private Interests that may give rise to a Conflict of Interests, the Group implements measures to manage potential Conflicts of Interests, for example, identifying the issues on which the person will need to recuse himself/herself after being appointed (elected) to the position, and he/she is proposed to renounce ties with legal entities, etc.

3.2.3. The Group periodically (once a year) reviews the Internal Declarations and PINREG Declarations of Employees and members of the Board and Committees, and analyses the data provided in them in order to determine whether the circumstances specified in these declarations may not give rise to situations of the Conflict of Interest.

3.2.4. Employees, members of the Board and Committees are provided with information about their obligations related to the management of Private Interests and other restrictions when they are applied to the members of the Board and Committees and Employees in accordance with the Law.

3.2.5. The companies of the Group carry out an assessment of the additional work of Employees and members of the Board and Committees that they are engaged in or intend to engage in, in order to identify potential Conflicts of Interest arising from such activities, to ensure loyalty and the supremacy of the Group company's priorities.

3.2.6. Employees and members of the Board and Committees are provided with recommendations in accordance with the procedure established by the internal legislation on how to manage potential conflicts of interest, and from which actions and/or decision-making it is mandatory to recuse themselves.

3.2.7. The compliance of independent members of the Board and Committees with the independence requirements established in the legislation is assessed (in accordance with the procedure provided for in Paragraph 4 of the policy).

3.2.8. Training on interest management is organised in the companies of the Group as needed.

### 3.3. Resolution of conflicts of interests (recusal and removal)

3.3.1. Employees, members of the Board and Committees are prohibited from participating in the preparation, consideration, or adoption of decisions or otherwise attempting to influence them if they may or have a Conflict of Interest.

3.3.2. Employees, members of the Boards and Committees shall recuse themselves from the preparation, consideration, or adoption of decisions giving rise to a Conflict of Interest by informing the entities indicated in Table No. 1 about a potential or existing Conflict of Interest on a specific issue and by notifying them of their recusal.

Table No. 1. Decision-making entities

Person declaring recuse	Decision-making entity
Member of the Board and Committee body	Board, Committee (of which the person is a member)
Manager of the Group Company	Board
Employee	Immediate supervisor/person authorized by internal legislation

3.3.3. The decision of the Board and Committees and its reasons on the acceptance or rejection of the resignation declared by a member of the Board, Committees or the head of a company of the Group shall be indicated in the minutes of the Board or Committee meeting. The procedure for accepting or rejecting the resignation declared by employees is regulated by the internal legislation.

3.3.4. Upon the removal of an Employee or a member of the Board or Committees due to a conflict of interests, a decision on a specific issue shall be made by the remaining members of the Board or Committees, the Employee's immediate supervisor, or another person specified in the internal legislation.

3.3.5. If the Board or Committees are unable to make a decision on a specific issue due to a Conflict of Interest that has arisen for all or most of the members of the Board or Committee, the Board's decision shall be made by the general meeting of shareholders of the relevant company of the Group in accordance with the procedure established in the Articles of Association of the company of the Group, and the decision of Committees shall be made by the Board of EPSO-G.

3.3.6. Upon the acceptance of the recusal of an Employee or a member of the Board or Committees, the entities specified in Table No. 1 shall ensure that the removed person would not perform any actions that may or have arisen in a Conflict of Interest any further.

3.3.7. The entities, referred to in Table No. 1, may recuse an Employee or a member of the Board or Committees from performing duties or functions by making a reasoned decision, if there is sufficient reason to believe that the participation of the Employee or a member of the Board or Committees in the preparation, consideration, or adoption of decisions may pose a Conflict of Interests to them. Such recusal is unconditionally binding on the Employee or a member of the Board or Committees.

#### 4. **Assessment of the independence of the members of the Board and Committees**

4.1. Independent members of the Board and Committees are considered to be persons who meet the independence requirements set out in the Law on the Management, Use, and Disposal of State and Municipal Property of the Republic of Lithuania and other applicable legislation.

4.2. Assessment of the independence of members of the Board and Audit Committee is carried out:

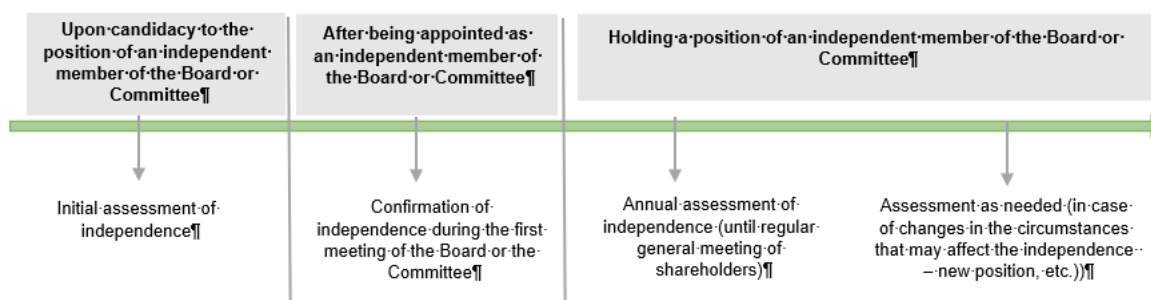
4.2.1. when applying for the position of an independent member of the Board or Audit Committee – during the selection process, an initial assessment of the candidate's independence is carried out in accordance with the procedure established by the internal legislation;

4.2.2. upon appointment of a person as an independent member of the Board or Committee – at the first meeting attended by the newly appointed independent member of the Board or Committee, his/her independence is confirmed;

4.2.3. when conducting an annual assessment of the independence of independent members of the Board and Committees prior to the convening of the Annual General Meeting of Shareholders;

4.2.4. before changes in circumstances that may affect the independence of a member of the Board or Committee, i.e. upon receiving an offer to hold a position in other legal entities, intending to commence another activity (individual, commercial, consulting, or other), except for activities beneficial to the public for which no financial remuneration is received (volunteering, etc.)), must notify the Committee, the Board, the company of the Group, and the EPSO-G person responsible for managing interests upon receiving an offer to hold a position in the management or supervisory bodies of other legal entities. The EPSO-G person responsible for managing interests assesses the independence of the member of the Board or Committee upon receipt of this information in relation to the new activity or position and submits their conclusion on this issue to the Company, the Committee, the Board, and the member of the Committee or the Board. The independence of the member of the Board or Committee is confirmed at the first meeting, upon commencement of a new position or a new activity.

1.1. Diagram No. 1. Independence assessment diagram



4.3. The assessment of the independence of a member of the Board or the Committee is carried out by the Board or the Committee, whose member's independence is assessed taking into account the known circumstances in accordance with the independence requirements set out in the legislation and the own self-assessment of the independent member. A member of the Board or the Committee must assess whether he or she can make independent (impartial) decisions and whether he or she can be considered an independent member of the Board or the Committee taking into account the independence requirements set out in the legislation.

4.4. If the Board or Committee decides that an independent member does not meet the independence requirements, the shareholder is notified regarding the making of further decisions.

4.5. The results of the assessment of the independence of the Member of the Board or Collegial body are indicated in the minutes of the Board or Committee meeting.

4.6. Companies of the Group publicly announce which members of their Boards or Committees are considered independent.

## Annex No. 1

## Internal declaration form

**1. GENERAL INFORMATION**

1.1.	<b>Name, last name and position held/applied for in a company of the Group</b>
	<i>Please indicate your name, last name, position held/applied for and name of the company of the Group.</i>

**2. OBLIGATIONS AND ACTIVITIES PERFORMED**

2.1.	<b>Activities and positions held outside the companies of the Group (employee, member of the supervisory body, member of the management body, civil servant, etc.) during the last 12 months prior to the date of submission of this declaration. Also indicate the current position.</b>
	<i>Please indicate the nature of the activity performed (individual, consulting activity), legal entity code, if applicable, legal entity and position titles, period of activity performed and position held</i>

2.2.	<b>Positions of close persons<sup>1</sup> in the companies of the Group</b>
	<i>Please indicate the name of the company of the Group where your close person works and the position of the Close Person.</i>

2.3.	<b>Positions of close persons:</b>
	<ul style="list-style-type: none"> <li>(i) in companies engaged in activities of electricity generation and/or supply, natural gas generation and/or supply;</li> <li>(ii) in institutions performing state energy supervision or in institutions regulating the activities of entities operating in the field of energy service provision</li> </ul>
	<i>Please indicate the name of the company/institution specified in (i) and/or (ii) where your close person works and the position of the Close Person (please do not provide additional personal data (name, last name, etc.).</i>

**3. RELATIONS WITH LEGAL ENTITIES**

3.1.	<b>Shares of Group companies sold, purchased, or currently held during the last 12 months prior to the date of submission of this declaration</b>
	<i>Please indicate the transaction performed (purchased/sold/currently held, acquired during the last 12 months), the name of the company of the Group.</i>

3.2.	<b>Legal entities (related to You/Your Close Person) meeting the following conditions:</b>
	<ul style="list-style-type: none"> <li>(i) shares directly or indirectly controlled in an energy company engaged in activities of electricity production and/or supply or natural gas production and/or supply;</li> <li>(ii) 25 or more percent of the shares, stakes, contributions, and/or votes of a legal entity controlled in a legal entity;</li> <li>(iii) a significant influence<sup>2</sup> is exerted on a legal entity or its decisions, having less than 25 percent of the shares, stakes, contributions, and/or votes of a legal entity in a legal entity.</li> </ul>

<sup>1</sup> **Close Person** is the spouse, cohabitant, partner of the declaring person, when the partnership is registered in accordance with the procedure established by law (hereinafter - a partner), as well as their parents (adoptive parents), children (adoptives), brothers (step-brothers), sisters (step-sisters), grandparents, grandchildren and their spouses, cohabitants or partners.

<sup>2</sup> **Significant influence** - the right to participate in making decisions on the financial or economic activities of a legal entity, e.g. additionally provided for in the shareholders' agreement or other.

	<i>Please indicate the name of the legal entity that meets at least one of the specified conditions and your relationship or relationship of your close person with this legal entity</i>
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3.3.	<p><b>Legal entities (related to you / your close person) with whom a relationship (employment, representation, etc.) was maintained within the 12 months prior to the date of submission of this declaration / is currently maintained and which have concluded and/or currently have valid transactions with the Group companies within the last 12 months prior to the date of submission of this declaration</b></p> <p><i>Please indicate the name of the legal entity and the circumstances of the transaction known to you (e.g., nature of the transaction, etc.)</i></p>
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**4. OTHER CIRCUMSTANCES**

4.1.	<p><b>Circumstances not specified in other parts of the declaration that may give rise to a conflict of interests<sup>3</sup>, for example, close friendships with individuals related to the companies of the Group or their main suppliers, gifts received from individuals/legal entities in the past year, Close persons involved in political, lobbying activities, etc.</b></p> <p><i>Please provide only those details that would help to assess whether there is a possibility of a Conflict of Interest.</i></p>
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 (name, last name)

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 (signature)

<sup>3</sup> **Conflict of interests** – a situation where a person, while holding office or performing functions, must make a decision, participate in making it or fulfil an order, which is also related to their private interests. Private interests are understood as an interest in personal monetary or non-monetary benefit, a moral debt or obligation of the declaring person or a person close to him, another interest of a similar nature that may have an influence on making decisions, participating in making them or executing orders. Financial, moral, or other obligations to persons related to them by friendship, partnership, or other type of relationship, may be recognized as private interest after the assessment of the individual situation.

### Rules for submission of an Internal Declaration

The following are the main rules for submission of an Internal Declaration that apply to persons applying for and holding positions in EPSO-G / EPSO-G subsidiaries.

Phase of candidacy for a position			
Ser. No.	Person submitting an internal declaration	Phase of submission of internal declaration	Person to whom the Internal Declaration is submitted
1.	Candidate for the position of Head of a company of the Group	After creating a short list of candidates (submits a candidate selected for the position)	EPSO-G person responsible for interest management, who informs the appointing person about significant circumstances
2.	Candidate for the position of independent member of the Board or Committee of EPSO-G / EPSO-G subsidiary	After creating a short list of candidates (submits a candidate selected for the position)	
3.	Candidate for the position of member of the Board or Committee of EPSO-G subsidiary (civil servant)	After creating a short list of candidates (submits a candidate selected for the position)	
4.	Candidate nominated by EPSO-G for the position of member of the Board or Committee of EPSO-G subsidiary	After formation of the short list (submitted by the candidate selected for the position, except for a candidate who is an EPSO-G employee)	
5.	Candidate for the position of member of the Board or Committee of EPSO-G, appointed by the institution exercising shareholder rights	The procedure for declaring private interests is established by the institution exercising shareholder rights conducting the selection.	
6.	Candidate for the position of employee of a company of the Group	Not submitted.	

Phase of position			
Ser. No.	Person submitting an internal declaration	Deadline for updating (submitting) of the Internal Declaration	Person(s)/entity to whom the Internal Declaration is submitted
1.	Manager of the Group Company	Within 5 working days of election, review of the Internal Declaration submitted during the candidacy phase and updating, if necessary	EPSO-G person responsible for the management of interests

2.	Independent EPSO-G/Member of the Board or Committee of an EPSO-G subsidiary	5 working days of an appointment, review of the Internal Declaration submitted during the candidacy phase and, updating, if necessary	
3.	Member of the Board or Committee of an EPSO-G subsidiary	5 working days of an appointment, review of the previously submitted Internal Declaration, and updating if necessary	
4.	Member of the Board or Committee of an EPSO-G subsidiary nominated by EPSO-G	5 working days from the date of appointment to the position	
5.	Member of the Board or Committee of EPSO-G nominated by the body exercising EPSO-G shareholder rights	5 working days from the date of employment	
6.	Employee of a company of the Group	<ul style="list-style-type: none"> <li>• Person responsible for managing the interests of a company of the Group;</li> <li>• immediate supervisor</li> </ul>	