

INFORMATION ON COMPLIANCE WITH TRANSPARENCY GUIDELINES

EPSO-G, UAB (hereinafter – **EPSO-G** or **Company**) and its subsidiaries comply with the Resolution No 1052 “On the Approval of the Description of the Guidelines for Ensuring the Transparency of State-Owned Enterprises” of the Government of the Republic of Lithuania of 14 July 2010 (hereinafter referred to as Transparency Guidelines).

The Transparency Guidelines are subject to mandatory application by EPSO-G holding company as it is a state-owned enterprise (hereinafter – **SOE**). In order to fully comply with the Transparency Guidelines in EPSO-G group, the policy of Transparency and Communications was adopted at the Group's level with detailed requirements set out. The document also includes application requirements for the companies of EPSO-G group.

The implementation of the Transparency Guidelines by EPSO-G is largely ensured through information disclosed in the annual report and publication of the information on websites of EPSO-G holding company and corporate websites of the group, in this way disclosing and submitting the information to stakeholders in an accessible and understandable format.

In Article 3 of the Transparency Guidelines, it is indicated that SOE is following the provisions of the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius regarding the public disclosure of information. Information on how EPSO-G complies with the provisions of this code is provided in Annex III of the EPSO-G Annual Report EPSO-G, UAB Report on Complying with the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius.

Hereinafter the structured information on the implementation of the Transparency Guidelines is presented:

On the EPSO-G website (www.epsog.lt), the following information shall be published/other requirements shall be implemented:

Company's name, code and register, in which the data on the Company is collected and stored, head office (address)	Implemented
Legal status if EPSO-G is restructured, reorganised (manner of reorganisation is indicated), in liquidation, in bankruptcy or bankrupt	Not applicable
Information on the authority representing the State, i.e., Ministry of Energy, and link to its website	Implemented
Goals, vision and mission of the activities	Implemented
Structure	Implemented
Data on the Chief Executive Officer*	Implemented
Data on the chairman and members of the Board*	Implemented
Data on the chairman and members of the Audit committee*	Not applicable
Names of the committees, data on their chairmen and members*	Implemented
*The following data is provided: name, surname, date of occupying the position, other executive positions in other legal entities, education, qualification, and professional experience; it is indicated if the member of the collegial body is elected or appointed as an independent member.	
Nominal amount (in euros and cents) and part (in percentage) of shares in the EPSO-G authorised capital owned by the State.	Implemented
Specific obligations established by the recommendations approved by the Minister of the Economy and Innovations are met: goals of the specific obligations, budget appropriations allocated in the current calendar year for the performance of these goals and legislation based on which SOE is assigned to execute the specific obligation are indicated, execution provisions for the specific obligation are established and/or the pricing is regulated.	Implemented
Information on initiatives and tools of social responsibility, significant investment projects that are being implemented or planned	Implemented
If EPSO-G is a member of other legal entities (not applicable to subsidiaries and second-tier subsidiaries), names, codes, and registers, in which such data on the Company is collected and stored, head office (address), and websites of such legal entities are indicated	Not applicable

¹ In accordance with Article 17.11 of the Transparency Guidelines, if transparency guidelines are not complied with, reasoning for it is provided.

² Corporate Governance Code for the Companies Listed on Nasdaq Vilnius approved by Protocol No 19-63 at the Nasdaq Vilnius, AB Board Meeting on 15 January 2019.

EPSO-G shareholding (in percentage) in the authorised capital of the companies	Implemented
Annual consolidated financial reports and consolidated annual reports	Implemented
On the EPSO-G website (www.epsog.it), the following documents shall be published/other requirements shall be implemented:	
Articles of Association of EPSO-G	Implemented
Letter of the Ministry of Energy on determining the government's goals and expectations of EPSO-G	Implemented
Strategy of activities or its summary in cases when confidential information or information that is viewed as a commercial (industrial) secret is present in the strategy of activities	Implemented
Remuneration policy including the establishment of the wage of the EPSO-G Chief Executive Officer and wages of members of EPSO-G collegial bodies and committees	Implemented
EPSO-G annual and intermediate reports	Implemented
Sets of annual and intermediate financial reports as well as conclusions of the annual financial report auditor covering a period of at least 5 years	Implemented
Aforementioned documents are published in PDF format and technical possibilities to print them are created	Implemented
In the sets of financial reports and reports, the following information shall be provided/other requirements shall be implemented	
EPSO-G keeps accounts in order to ensure the composition of the financial reports in accordance with International Accounting Standards	Implemented
EPSO-G provides a set of intermediate financial reports covering the period of 6 months	Implemented
Notwithstanding its annual report, EPSO-G additionally prepares an intermediate report covering the period of 6 months	Implemented
In the annual EPSO-G report, notwithstanding the content requirements established in the Law on Financial Reporting by Undertakings, the following information shall be provided additionally³:	
Brief description of EPSO-G business model	Implemented
Information on substantial events that happened during the financial year and after it (until the preparation of the annual report) and were considered significant to the EPSO-G activities	Implemented
Implementation results of goals established in the strategy of activities	Implemented
Indicators of profitability, liquidity, asset turnover, and debts	Implemented
Implementation of specific obligations	Implemented
Implementation of the investment policy, as well as investment projects and investments implemented and planned during the reporting year	Implemented
Implementation of the risk management policy applied in EPSO-G	Implemented
Implementation of the dividend policy	Implemented
Implementation of the remuneration policy	Implemented
The general annual wage fund as well as the average monthly wage according to a position and/or divisions	Implemented

³ If information is considered as a commercial (industrial) secret of the SOE or as confidential information, SOE can maintain this information undisclosed

sed; however, in its annual report, SOE shall indicate that this information is undisclosed and provide a reason for not revealing it.

In its annual report or annual activity report, SOE is recommended to provide information regarding the assurance of environmental, social, staff, and human rights, as well as information on its fight against corruption and bribery if the preparation of social responsibility report is optional	Implemented
In the consolidated annual statement, the structure of the corporate group is presented as well as the name, code and register, in which data on the Company is collected and stored, head office (address) of each Company, shareholding (in per cents) in the authorised capital of the subsidiary, results of the financial year of financial and non-financial activities.	Implemented
In the intermediate report of EPSO-G, a brief description of EPSO-G business model, analysis of financial activity results of the reference period, information on significant events that have happened during the reference period as well as indicators of profitability, liquidity, asset turnover, and debts as well as their changes are provided in comparison with a corresponding period of the previous year	Implemented