

 LIETUVOS GELEŽINKELIAI	AB "Lietuvos geležinkeliai"
SUPPORT MANAGEMENT POLICY	

APPROVED
by Decision No. PRO-VLP(LTG)-21/2023
of November 16, 2023 of the Board of AB
"Lietuvos geležinkeliai"

SUPPORT MANAGEMENT POLICY OF THE GROUP OF COMPANIES OF PUBLIC LIMITED LIABILITY COMPANY "LIETUVOS GELEŽINKELIAI"

I. GENERAL PROVISIONS

1. The Support Management Policy of the Group of Companies of public limited liability company "Lietuvos geležinkeliai" (hereinafter referred to as "LTG") (hereinafter referred to as the "Policy") shall regulate the procedure of awarding and providing support (hereinafter referred to as "Support") to the beneficiaries of LTG Group of Companies (hereinafter referred to as the "Beneficiaries") for publicly beneficial purposes insofar as it complies with the Law on Charity and Sponsorship of the Republic of Lithuania (hereinafter referred to as the "LCA") and other legal acts;
2. The Policy sets out the basic principles and orientations and areas for the granting of Support, the criteria and priorities for the granting of Support, the procedures for the submission and evaluation of applications for Support and the grounds for decision-making on the granting of Support;
3. The Policy and its procedures for granting the Support are applicable to the whole LTG Group of companies.

II. SOCIAL RESPONSIBILITY POLICIES AND AREAS TO BE SUPPORTED, OBJECTIVES AND PRINCIPLES FOR GRANTING SUPPORT

4. The share of the profits of an LTG Group of companies that is allocated to the Support is determined annually by the board meeting of the company concerned. The share of the profit allocated to the Support may not exceed 2% of the net profit for the financial year under review (previous financial year), in any case up to a maximum of EUR 200 000 (two hundred thousand euros). The limit is set for the current year based on the company's audited financial statements for the previous year;
5. Support may be granted for:
 - 5.1. Non-governmental organisations to contribute to humanitarian aid in Lithuania and abroad;
 - 5.2. Support may also be granted for other purposes, upon the reasoned proposal of the LTG Support Allocation Committee and the approval of the LTG Board.
6. LTG Group of companies cannot grant a Support:
 - 6.1. If the net profit for the financial year under review of LTG Group of companies is negative (the company made a loss in the previous year);
 - 6.2. To finance political parties, public politicians, political advertising or political campaigns, and to cover debt obligations incurred by participants in political campaigns or related to political campaigns during the period of the political campaigns (whether directly or indirectly through other legal entities);
 - 6.3. Foundations and institutions established by civil servants in political positions of trust, members of Seimas, the Government, members of municipal councils, and members of the single-person and collegial governing bodies of political parties, their close relatives, spouses,

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cohabitants, and partners, where the partnership has been registered in accordance with the procedure established by law. The persons referred to in this point shall not be involved in the evaluation of applications for Support and in the decision to grant Support;

6.4. Activities that may have a negative impact on society. For example, activities involving gambling or gambling-related activities, activities promoting alcoholic beverages, smoking and other intoxicating substances, etc.;

6.5. Beneficiaries who have committed material breaches of the Support Agreement or have used the Support for purposes other than those for which it was intended during the last five years, in the context of a previous Support Agreement with an LTG Group of companies;

6.6. For persons without Beneficiary status;

6.7. For natural persons.

7. LTG Group of companies may provide Support in the form of cash, assets, services, and other forms of Support permitted by the LCA. The value of the support per Beneficiary may not exceed EUR 200 000 (two hundred thousand euros) per year.

III. REQUIREMENTS FOR BENEFICIARIES, OBJECTIVES FOR THE USE OF THE SUPPORT

8. Beneficiaries are only those persons who meet the requirements set out in the LCA, have beneficiary status and whose activities and/or projects meet the criteria set out in this document and the requirements of the legislation;
9. Beneficiaries must use the Support granted only for the purpose for which it was granted, in accordance with the requirements of this Policy and the Support Agreement;
10. Only persons of good repute are eligible. That is to say, if there is publicly available information about illegal (criminal and/or other legal offences) and generally accepted moral standards activities of the Beneficiary or persons related to the Beneficiary (managers, shareholders, partners, employees, etc.), the Support may not be granted to such Beneficiaries.

IV. CRITERIA FOR EVALUATING APPLICATIONS AND AWARDING SUPPORT

11. The Support may only be awarded on the basis of reasoned applications from Beneficiaries that meet the eligibility criteria set out below in this section and made public in advance;
12. The following criteria must be taken into account when awarding the Support:
 - 12.1. Compatibility of the supported project with the support lines, areas and objectives set out in this Policy;
 - 12.2. Planned results and measurability - the planned results to be achieved (indicators), their clarity, realism, the definition and specificity of the implementation steps;
 - 12.3. Relevance - the importance and need for the results to be achieved by the Project at the time of implementation;
 - 12.4. Other criteria describing the Beneficiary.
13. Additional criteria may be provided in the documents detailing the Support management and approved by the General Director of LTG;
14. The company of the LTG Group of companies has the right to request other information in order to assess the compliance of the Support requested by the Beneficiary with the requirements set out in this document and in the legal acts of the Republic of Lithuania.

V. PROCEDURE FOR THE SUBMISSION AND EXAMINATION AND DECISION-MAKING OF APPLICATIONS FOR SUPPORT

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15. Applications for Support received by a company of LTG Group of companies shall be referred to the LTG's Support Allocation Committee;
16. The Support Allocation Committee shall be composed of at least 3 members for a 2-year term of office, as decided by the LTG Director General
17. The working principles of the Support Allocation Committee are determined by the decision of LTG Director General;
18. After assessing the Application, the Support Allocation Committee shall present its assessment and a reasoned proposal on whether to grant or not to grant the Support to the head of the relevant company of LTG group of companies;
19. The decision to grant the Support is taken by the head of the relevant company of LTG group of companies. The head of a company of LTG Group of companies who has taken the decision to grant the Support must inform the Board of the company about the Support at the next Board meeting;
20. Support is granted when it meets the criteria and requirements set out in this document, the LCA and other Lithuanian legislation;
21. Once a decision has been taken to grant or refuse to grant the Support, the Applicant shall be informed of the decision within 5 (five) working days.
22. Before deciding to grant a Support, the company of LTG Group of companies must assess the compatibility of the Support with the criteria for State aid referred to in Article 107(1) of the Treaty on the Functioning of the European Union. A company of LTG group of companies shall not grant Support that meets the criteria for State.

VI. FINAL PROVISIONS

23. The Policy, its amendments and annexes shall be approved by the LTG Board;
24. The review and updating of the Policy shall be initiated and coordinated by the Director of Corporate Affairs;
25. The form of the Support Agreement, the procedures for concluding it, justifying the use of Support according to its intended purpose, application of responsibility for violations of the Policy and Support Agreement, and publicizing information about the granted/received Support are determined by the decision of LTG Director General.
26. The Policy shall enter into force upon its adoption;
27. The Policy shall be reviewed at least once a year, as well as in the event of a significant change in the LTG Group of companies strategy, organizational governance structure or other strategically important circumstances;
28. The Policy shall apply to the extent that it does not conflict with the laws of the Republic of Lithuania and/or other applicable legal acts.