



# AB KN ENERGIES REPORT ON REMUNERATION 2023

## REMUNERATION

Remuneration principles of the Company's governing and supervisory bodies are determined by the Remuneration policy approved in General shareholders meeting in October 2022. Full remuneration policy can be found on Company's website.

Remuneration for activities in the collegial bodies of the Company may be paid to the members of the collegial body of the Company who are independent or not.

The personal data of the members of the Company's governing and supervisory bodies is included in the report on remuneration for the following purposes:

- to increase the transparency of the Company;
- to improve the accountability of the members of the governing bodies;
- to supervise the remuneration of the governing bodies.

Members of collegial governing and supervisory bodies of the Company are only eligible for receiving fixed monthly compensation.

The remuneration to be paid must:

- promote the creation of long-term and sustainable value of the Company, to be fair and understandable.
- comply with the workload of the individual organs of the Company and their members.
- be competitive with the salary levels in the labour market of the respective field.
- ensure the indemnification of the liability assumed by the individual members of the Company bodies.
- promote the attraction of high-level professionals in their field to the management of the Company.

### REMUNERATION OF THE SUPERVISORY COUNCIL IN 2023

TITLE	MONTHLY SALARY FOR 2023, EUR	TOTAL FOR 2023, EUR
Robertas Vyšniauskas	3,516.00	42,192.00
Dovilė Kavaliauskienė	2,110.00	25,320.00
Mantas Šukevičius	2,637.00	31,644.00
<b>Total</b>	-	<b>99,156.00</b>

20th October 2022 extraordinary General Meeting of Shareholders has adopted the following resolutions: 1) to approve the amendment of Remuneration Policy, 2) for the 4 years cadence of Supervisory Council members of AB KN Energies to elect: Mantas Šukevičius, Robertas Vyšniauskas, and Dovilė Kavaliauskienė, 3) to determine fixed monthly remuneration for the members of Supervisory Council of AB KN Energies, 4) to approve standard contract form, regarding the activity of the member of Supervisory Council of AB KN Energies.

### REMUNERATION OF THE SUPERVISORY COUNCIL IN 2022

TITLE	MONTHLY SALARY FOR 2022, EUR	TOTAL FOR 2022, EUR
Member 1	3,318.67	7,904.72
Member 2	2,110.00	5,023.81
Member 3	2,637.00	6,278.57
Member 4	1,140.59	4,448.30
Member 5	856.92	3,341.99
<b>Total</b>	-	<b>26,997.39</b>

In 2023 the total remuneration for the members of the Supervisory Council amounted to EUR 99.2 thousand (2022 – EUR 27.0 thousand). Members of the Supervisory Council were not granted with any loans, guarantees, assets, premiums, bonuses, shares or salary for service at any other company of the Group for the year 2023. They are not eligible for any variable part of remuneration or for recovery of it.

#### REMUNERATION OF THE BOARD OF THE COMPANY IN 2023

TITLE	MONTHLY SALARY FOR 2023, EUR	TOTAL FOR 2023, EUR
Guy Mason	2,637.00	31,644.00
Edvinas Katilius	3,516.00	42,192.00
Alfonso Morriello	2,637.00	31,644.00
Jūratė Lingienė	2,637.00	31,644.00
Karolis Švaikauskas	2,110.00	25,320.00
<b>Total</b>	-	<b>162,444.00</b>

#### REMUNERATION OF THE BOARD OF THE COMPANY IN 2022

TITLE	MONTHLY SALARY FOR 2022, EUR	TOTAL FOR 2022, EUR
Member 1	2,202.82	26,430.47
Member 2	2,548.27	27,907.11
Member 3	2,252.51	18,574.22
Member 4	2,252.51	18,574.22
Member 5	1,811.55	9,108.60
Member 6	2,400.00	9,000.00
Member 7	2,095.00	2,205.26
Member 8	2,095.00	7,856.25
<b>Total</b>	-	<b>119,656.13</b>

In 2023 the total remuneration for the members of the Board amounted to EUR 162.4 thousand (2022 – EUR 119.7 thousand). In 2023 members of the Board were not granted any shares, did not receive any loans, guarantees, assets, premiums, bonuses or any other benefits for work as members of the Board or salary for service at any other company of the Group. They are not eligible for any variable part of remuneration or for recovery of it.

#### REMUNERATION OF THE AUDIT COMMITTEE IN 2023

TITLE	MONTHLY SALARY FOR 2023, EUR	TOTAL FOR 2023, EUR
Šarūnas Radavičius	1,676.95	17,210.84
Robertas Vyšniauskas	1,319.00	15,825.00
Mantas Šukevičius	1,319.00	15,825.00
<b>Total</b>	-	<b>48,866.84</b>

#### REMUNERATION OF THE AUDIT COMMITTEE IN 2022

TITLE	MONTHLY SALARY FOR 2022, EUR	TOTAL FOR 2022, EUR
Member 1	1,319.00	1,648.75
Member 2	1,319.00	1,645.75
Member 3	1,140.59	4,448.30
Member 4	856.92	1,668.74
Member 5	856.92	9,426.12
<b>Total</b>	-	<b>18,840.66</b>

In 2023 the total remuneration for the independent members of the Audit Committee amounted to EUR 48.9 thousand (in 2022 – EUR 18.8 thousand). In 2023 members of the Audit Committee have not received any loans, guarantees or assets, unpaid bonuses and other benefits or salary for service at any other company of the Group, were not granted any shares of the Company. They are not eligible for any variable part of remuneration or for recovery of it.

#### REMUNERATION OF THE REMUNERATION AND NOMINATION COMMITTEE IN 2023

TITLE	MONTHLY SALARY FOR 2023, EUR	TOTAL FOR 2023, EUR
Robertas Vyšniauskas	660.00	7,920.00
Dovilė Kavaliauskienė	-	-
Živilė Valeišienė	1,598.98	16,410.57
<b>Total</b>	-	<b>24,330.57</b>

#### REMUNERATION OF THE REMUNERATION AND NOMINATION COMMITTEE IN 2022

TITLE	MONTHLY SALARY FOR 2022, EUR	TOTAL FOR 2022, EUR
Member 1	660.00	825.00
Member 2	-	-
<b>Total</b>	<b>660.00</b>	<b>825.00</b>

In 2023 the total remuneration for the independent members of the Remuneration and Nomination Committee amounted to EUR 24.3 thousand. According to Remuneration Policy Member 2 has not received any compensation since the same person is already receiving compensation as a member in Audit Committee. In 2023 members of the Remuneration and Nomination Committee have not received any loans, guarantees or assets, unpaid bonuses and other benefits or salary for service at any other company of the Group, were not granted any shares of the Company. They are not eligible for any variable part of remuneration or for recovery of it.

### REMUNERATION OF THE CEO OF THE COMPANY IN 2023

The CEO of the Company is rewarded according to provisions set in the Remuneration policy approved by the Board of the Company and the Company's Procedure for rewarding bonuses to AB KN Energies top management employees.

The monthly salary of the CEO of the Company was set to EUR 9,600 since August of 2022. Following the Remuneration policy, the CEO is also eligible for receiving annual bonus depending on the results of the Company and achievement of the annual goals. The maximum bonus in case all goals are achieved consists of 4 monthly salaries. In 2023 variable pay for the CEO, was EUR 2,960 (monthly equivalent of yearly bonus) (2022 – EUR 767 (monthly equivalent of yearly bonus)).

### CHANGES IN THE COMPANY RESULTS AND AVERAGE MONTHLY SALARY OF ALL EMPLOYEES

	2023	2022	2021	2020	2019
Sales revenue	80,356	74,722	58,633	77,474	104,138
Net profit (loss)	12,370	(6,732)	(64,917)	33,495	7,947
Adj. net profit (loss)**	6,107	8,041	(48,084)	10,991	13,117
Average monthly salary (gross), EUR***	3,114	2,765	2,609	2,600	2,282

\* Remuneration of Members of governing and supervisory bodies are not included.

\*\* adj. – adjusted financial indicators/data are recalculated and presented by eliminating from net profit (loss) the following amounts: (1) the impact of unrealised foreign currency exchange rates (forex) arising from IFRS 16 requirements, (2) respective impact of deferred income tax arising from forex, and (3) impact of financial derivatives.

\*\*\*The average monthly salary is calculated according to the average monthly wage calculation procedure as stated in the State companies' employees' average monthly salary calculation procedure approved by the Government of Lithuania on 23 August 2002, resolution No. 1341 and its subsequent changes. On-call payments included