

**THE REGULATIONS
FOR THE FORMATION AND OPERATION OF THE AUDIT COMMITTEE
OF AB AMBER GRID**

I. GENERAL

1. The Regulations of the Formation and Operation of the Audit Committee (hereinafter referred to as “the Audit Committee”) of AB Amber Grid (hereinafter referred to as “the Company”) (hereinafter referred to as “the Regulations”) have been prepared in accordance with the applicable legal acts.
2. The Regulations shall define the rights and duties of the Audit Committee, its size, the period of membership in the Audit Committee, requirements for the education, professional experience of the members of the Audit Committee, the independence requirements applicable to the independent member of the Audit Committee and other issues related to the composition of the Audit Committee and work organization thereof.
3. The Regulations shall be subject to approval by the General Meeting of Shareholders of the Company (hereinafter referred to as “the Meeting of Shareholders”) on presentation by the Board of Directors.

II. FORMATION OF THE AUDIT COMMITTEE

4. The Audit Committee shall consist of 2 (two) members, one of which shall be independent and the other one shall be appointed out of the non-overhead staff of the Administration of the Company.
5. The Audit Committee and its members shall be elected and recalled by the General Meeting of Shareholders on nomination/presentation by the Board of Directors.
6. The term of office of the Audit Committee shall be the same as the term of office of the Board of Directors, which nominates the candidates to be elected to the Audit Committee. An uninterrupted term of office of a member of the Audit Committee shall be no longer than 12 years.
7. A member of the Audit Committee shall have the right to resign upon submitting a 14 (fourteen) days written notice to the Board of Directors of the Company. The Board of Directors shall ensure that at the next Meeting of the Board of Directors instead of the resigned member of the Audit Committee a new member is appointed for the period till the day of the next General Meeting of Shareholders, also a decision shall be taken regarding the nomination/presentation of a new member of the Audit Committee to the Meeting of Shareholders. The next Meeting of Shareholders shall elect a new member of the Audit Committee for the period until the end of the term of office of the operating Audit Committee.
8. The Meeting of Shareholders shall have the right to recall one or all the members of the Audit Committee should they fail to perform their functions and/or should they no longer conform to the requirements specified in the applicable legal acts or the present Regulations.

III. REQUIREMENTS FOR THE MEMBERS OF THE AUDIT COMMITTEE

9. Eligibility requirements to be appointed a member of the Audit Committee: a university degree and a respective track record (professional experience) ensuring that the person has

knowledge of the general systems used for the registration, grouping and generalization of economic operations of the Company, the accounting principles, other capital, assets and liabilities accounting principles that have been set and the International Accounting Standards.

10. Eligibility requirements to be appointed an independent member of the Audit Committee: a university degree and at least five years track record (professional experience) in the fields of accounting or audit and conformance to the following independence requirements:
 - 10.1 the person shall not be the head of the company or an associated company and shall not have occupied such a position within the last five years;
 - 10.2. the person shall not be an employee of the Company or an associated company and shall not have occupied such a position within the last five years;
 - 10.3. the person shall not receive or have received significant additional remuneration from the Company or an associated company, except for the remuneration for post of the member of the Audit Committee
 - 10.4. the person shall not be a controlling shareholder or represent such a shareholder;
 - 10.5. the person shall not have or have had important business relations with the Company or an associated company within the last year either directly or as a partner, shareholder, head or employee of administration of a subject with such relations. The following subjects shall be deemed subjects having business relations with the Company or an associated company: a subject that is considered an important supplier of goods, services or works (including financial, legal, advisory or consulting services) or an important client or organization receiving significant contributions from the Company or its group.
 - 10.6. The person shall not be and within the last three years shall not have been a partner or employee of the current or former audit company of the Company or an associated company;
 - 10.7. the person shall not have occupied the position of a member of the Audit Committee of the Company for a period longer than twelve years;
 - 10.8. the person shall not be a close family member of the head of the Company or the persons specified in Paragraphs 9.1 through 9.6. The following persons shall be deemed close family members: the spouse (cohabitant), children and parents.
11. The following companies shall be deemed companies associated with the Company as specified in Paragraph 9:
 - 11.1. a company which directly or indirectly controls the Company or is controlled by it;
 - 11.2. a company which has a significant influence on the Company;
 - 11.3. a company which takes part in the control of the Company under a joint activity agreement;
 - 11.4. a company which is controlled by the same legal or natural person (their group) as the Company;
 - 11.5. a company which is an associated company;
 - 11.6. a company which is a company controlled under a joint activity agreement;
 - 11.7. a company which is a company accumulating and at the end of the service paying pensions and other benefits.

IV. FUNCTIONS, RIGHTS AND DUTIES OF THE AUDIT COMMITTEE

12. The main functions of the Audit Committee shall be as follows:
 - 12.1. to observe the process of the preparation of financial reports of the Company;
 - 12.2. to provide the Board of Directors of the Company with recommendations regarding the selection of an external audit company;
 - 12.3. to observe the efficiency of the internal control systems, risk management and internal audit systems;

- 12.4. to observe the process of carrying out an external audit;
- 12.5. to observe how the external auditor or audit company follow the principles of independence and objectivity;
- 12.6. to fulfill other functions specified in the legal acts of the Republic of Lithuania;
- 12.7. to immediately inform the head of the Company about the information presented to the Audit Committee by the audit company regarding any problem issues arisen during the audit especially in the event of the establishing of significant shortcomings of internal control related to financial reports.
13. The rights of the Audit Committee shall be as follows:
 - 13.1. to receive the Company's information, documents related to the fulfillment of the duties of the members of the Audit Committee;
 - 13.2. using the professional knowledge and skills, to select their work methods and procedures;
 - 13.3. to receive exhaustive information related to the Company's accounting, financial and activity peculiarities. If requested by the members of the Audit Committee, as well as on its own initiative, the Administration of the Company shall inform the Audit Committee about the methods of accounting of important and/or unusual transactions, should such accounting be made at the Company in different ways.
14. The Audit Committee shall submit to the Meeting of Shareholders annual written reports on its activities.
15. The members of the Audit Committee shall:
 - 15.1. be loyal to the Company and shall not disclose to other persons, except for the cases provided for by the laws of the Republic of Lithuania, the Company's accounting data and other data known to them as a result of their activities;
 - 15.2. act honestly, carefully and responsibly for the benefit and in the interest of the Company and its shareholders;
 - 15.3. when carrying out their functions, follow the legal acts and the internal documents of the Company.
16. The independent member of the Audit Committee shall under any conditions keep the independence of his analysis, decision-making and actions.

V. PROCEDURE OF WORK OF THE AUDIT COMMITTEE

17. Meetings of the Audit Committee shall be convoked on the initiative of one of the members of the Audit Committee.
18. Meetings of the Audit Committee shall not be recorded. The minutes shall be drawn up only in case of any violations that have been established, or if the Company's activities are at risk, or in case any issues emerge calling for an immediate resolution by the Company's management or its governing bodies.
19. A member of the Audit Committee may express his will – for or against the decision in question, with the draft of which he is familiar with – by voting in advance in writing. Voting in writing may also be made with the help of telecommunication end devices, provided text protection is ensured and it is possible to identify the signature.
20. A decision of the Audit Committee shall be deemed to have been taken if both members of the Audit Committee vote for it.
21. A decision that has been taken shall be signed by both members of the Audit Committee. The decision shall be recorded and signed no later than within 2 business days from the day of the meeting of the Audit Committee.

22. The Audit Committee shall have the right to invite to its meetings the members (member) of the Board of Directors, the head of the Company, deputies of the head of the Company, the Chief Accountant, employees responsible for the finances, accounting and external auditors.
23. Decisions taken by the Audit Committee or other written documents shall be submitted to the head of the Company and /or the Board of Directors of the Company.
24. Decisions taken by the Audit Committee or other documents issued by Audit Committee shall be of recommendatory nature.
25. For performing their functions, members of the Audit Committee may receive remuneration. The remuneration amount and the payment procedure shall be set by the Board of Directors by order of the Meeting of Shareholders.