

**DRAFT RESOLUTIONS OF THE BOARD OF ŠIAULIŲ BANKAS AB  
TO THE ORDINARY MEETING OF SHAREHOLDERS TO BE HELD ON 31/03/2020  
ON AGENDA ISSUES**

On agenda issues		Resolution
1.	Presentation of the consolidated annual report	<i>Resolution on this item shall not be adopted, the consolidated annual report is provided in Annex 1.</i>
2.	Presentation of the audit company's conclusion	<i>Resolution on this item shall not be adopted, the audit company's conclusion is provided in Annex 1.</i>
3.	Comments and proposals of the Supervisory Council	<i>Resolution on this item shall not be adopted. The extract of the minutes of the Supervisory Council meeting on 06/03/2020 regarding the comments and proposals to the shareholders' meeting is provided in Annex 2.</i>
4.	Approval of the financial statements for 2019	To approve the set of financial statements for 2019. <i>Financial statements are provided in Annex 1.</i>
5.	Allocation of the Bank's profit	To approve allocation of the Bank's profit (loss). <i>Draft profit allocation proposed by the Board is enclosed. (Annex 3).</i>
6.	Election of an audit company and determination of the remuneration for the audit company	1. To elect the independent audit company KPMG Baltics UAB for the audit of the consolidated and annual financial statements of the Bank and the Group for the years 2020 and 2021. 2. To set the cost of auditing the consolidated financial statements of the Group for 2020 and 2021 EUR 151.3 thousand (excluding VAT) per year, including EUR 82.5 thousand (excluding VAT) for auditing the Bank's statements, with the right to increase this price by 10 per cent. <i>Extract of the minutes of the Audit committee on making a recommendation to the Management Board on the selection of audit company (Annex 4).</i>
7.	Approval of the Remuneration Policy	To approve the Bank's Remuneration Policy.  <i>The draft Remuneration Policy proposed by the Board and endorsed by the Supervisory Council at its meeting on 06/03/2020 is provided in Annex 5. The extract of the minutes of the Supervisory Council meeting regarding consent of the Remuneration Policy is provided in Annex 6.</i>
8.	Acquisition of the Bank's own shares	To acquire Bank's own shares under the following conditions: 1) the purpose of acquisition of own shares is to retain and increase the market price of the Bank's shares; 2) maximum number of shares to be acquired - the total nominal value of the Bank's own shares may not exceed 1/10 of the Bank's authorized capital; 3) the time limit for the Bank to acquire its own shares - 18 months from the date of adoption of this decision; 4) maximum acquisition price per share - 15% higher than the market price of the Bank's shares on the Nasdaq Vilnius Stock Exchange when the Board makes a decision to acquire own shares, however, not higher than the book value of the share calculated according to the latest published financial statements of the Bank; minimal acquisition price per share - 15% lower than the market price of the

		<p>Bank's shares in Nasdaq Vilnius when the Board makes a decision to repurchase Bank's own shares;</p> <p>5) The procedure for sale of own shares and the minimum selling price - the shares acquired by the Bank may be annulled by decision of the General Meeting of Shareholders or sold by decision of the Board determining that the minimum selling price of the shares is their average acquisition price and the sales procedure will ensure equal opportunities for all shareholders to acquire the shares of the Bank;</p> <p>6) To delegate the Board of the Bank, in accordance with the provisions of this resolution and requirements of the Law on Companies of the Republic of Lithuania, to make decisions regarding buying-in of the Bank's own shares, to organize repurchase and selling of its own shares, to determine the procedure for the repurchase and sale of shares, the time, number and price of the shares as well as to perform other actions related to the acquisition and sale of own shares.</p> <p>To establish that after adopting this resolution the resolution of the General Meeting of Shareholders of 28 March 2019 regarding acquisition of the Bank's own shares shall expire.</p>
9.	Election of Supervisory Council members	<ol style="list-style-type: none"> <li>1. To elect the 7 (seven) candidates to the Supervisory Council of the Bank from the candidates who received the most votes.</li> <li>2. To establish that the end of the term of the newly elected Supervisory Council is the day of the Ordinary General Meeting of Shareholders in 2024.</li> <li>3. To establish that persons elected to the Supervisory Council for the first time will take office only after obtaining permission from the Bank of Lithuania.</li> </ol> <p><i>The candidates to the members of the Supervisory Council proposed by the Board and Information on them are provided in Annex 7.</i></p>
10.	The amendment of the Bank's Charter	<ol style="list-style-type: none"> <li>1. To supplement the Bank's Charter with sub-item 6.3.8.13: "6.3.8.13. Approval of the Remuneration Policy. "</li> <li>2. To amend the item 6.10 of the Charter of the Bank as follows: "6.10. Resolutions on the matters, provided for in par. 6.3.1, 6.3.7, 6.3.8.1, 6.3.8.3-6.3.8.7, 6.3.8.9-6.3.8.13 are adopted by the majority vote which is no less than 2/3 of all the votes, granted by the shares of participating shareholders. Resolutions on the matter, provided for in par. 6.3.8.2 are adopted by the majority vote which is no less than 3/4 of all the votes, granted by the shares of the shareholders, participating in the Meeting and entitled to vote."</li> <li>3. To amend the item 6.11 of the Charter of the Bank as follows: "6.11. Voting at the Meeting is open. In case at least one shareholder wishes secret ballot for some particular matter, and the shareholders, having no less than 1/10 of the votes in that Meeting agree with him, secret ballot on that matter is obligatory for all the shareholders on that question. Shareholder can vote in writing by filling a general voting ballot, which may be transmitted to the Bank and by electronic means in accordance with the procedure established by legal acts ensuring the transmitted information is secure and the shareholder's identity can be identified. If the shareholder employs his right to vote in writing, he, after making acquainted with agenda and draft resolutions of the Meeting, fills and delivers the Bank the general voting slip, stating his "for" or "against" separately for each resolution. The shareholders, who vote in writing in advance, are considered participating in the Meeting and their votes are included into the</li> </ol>

		<p>quorum and voting results. General voting slips of failed Meeting are valid in the repeated Meeting. The shareholder cannot vote at the meeting on the matters he has already expressed his will in writing in advance.</p> <p>4. To amend the item 7.1 of the Charter of the Bank as follows:  <i>“7.1. The Supervisory Council is a collegial body supervising the activities of the Bank and directed by its chairman. The number of members of the Council is 8 (eight) (at least 1/3 must be independent), it is elected by the Meeting. During the election of the Council members each shareholder shall have the number of votes which is equal to the number of votes carried by the shares held by him multiplied by the number of members of the Council being elected. The shareholder shall distribute the votes at his discretion, giving them for one or several candidates. Candidates who receive the greatest number of votes shall be elected. If the number of candidates who received an equal number of votes is larger than the number of vacancies in the Council, a repeated voting shall be held in which each shareholder may vote only for one of the candidates who received an equal number of votes. The Council shall be elected for a 4-year term.”</i></p> <p>5. To amend the item 11.2 of the Charter of the Bank as follows:  <i>“11.2. The loan committee analyses the loan presentation material, decides whether to approve or disapprove the loan granting, change of its terms, evaluates loan risk, gives suggestions regarding loan granting, loan interest rate and loan administration procedure improvement, as well as performs other functions, set in its regulations.”</i></p> <p>6. To amend the item 11.6 of the Charter of the Bank as follows:  <i>“11.6. The nomination committee shall nominate and recommend, for the approval of the bodies of the Bank or for approval of the Meeting, candidates to fill body of the Bank vacancies, shall evaluate the balance of skills, knowledge and experience of the members of the bodies of the Bank, and suitability for the position, shall submit comments and findings related to the matter, assess the structure, size, composition, operating results and shall carry out other functions provided for in its provisions.”</i></p> <p>7. To authorize the Bank’s Chief Executive Officer to sign the amended Charter and to arrange the registration of such amended Charter in compliance with the order set for by the laws.</p> <p><i>A comparative version of the amendments to the Bank’s Charter is provided in Annex 8.</i></p>
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**Annexes:**

1. Independent auditor’s report, financial statements and annual report as of 31 December 2019.
2. Extract from the minutes of the meeting of the Supervisory Council on 06/03/2020 regarding the comments and proposals to the meeting of shareholders.
3. Draft of the profit (loss) allocation.
4. Extract of the minutes of the Audit committee meeting on 20/01/2020 on making a recommendation to the Management Board on the selection of audit company.
5. Draft Remuneration Policy.
6. Extract from the minutes of the Supervisory Council meeting on 06/03/2020 regarding the consent of the Remuneration Policy.
7. Candidates to the members of the Supervisory Council proposed by the Board.
8. Comparative version of the amendments to the Bank’s Charter.