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EXTRACT OF THE MINUTES NO 2 OF AUDIT COMMITTEE MEETING OF ŠIAULIŲ BANKAS AB

Place and time of the meeting: Vilnius, Šeimyniškių 1a, 20-01-2020 10:00
Chairperson of the meeting: R.V.Zabulienė
Secretary of the meeting: P. Aniūnas
Committee has 3 members.
Participants: R.V.Zabulienė, M.Česnavičius, G.Kateiva

Invited persons: CEO V.Sinius, Head of Internal Audit Division P.Aniūnas, Head of Accounting and Tax Division V.Urbonienė.

1. DISCUSSED. Presentation of the recommendation for selection of audit companies, performing statutory audit, to the Bank's board.

Speaker, Head of Accounting and Tax Division V.Urbonienė, presented the revised suggestions of the applicants to perform audit (material is enclosed). After listening of the summary of the offers received, the committee members discussed about the strengths and weaknesses of the applicants and which of the offers would be the most useful for the Bank. During the discussion it was agreed that, in selection of the audit company performing statutory audit, the most important criteria should be the experience and sufficiency of resources. G.Kateiva noted that in the light of changing Bank's supervisory body, it is very important that the Bank's auditors had sufficient experience in auditing the banks. M.Česnavičius, seconding the colleague, mentioned that in this period for the Bank it is important to select the auditor who has audited also systematically important (under the direct ECB supervision) banks. Chairperson of the committee R.V.Zabulienė, generalizing the discussion, suggested to form a line of the applicants according to the criteria discussed by the committee and to adopt the decision about 2 applicants best meeting these criteria.

DECIDED:

The audit committee, stating that, during selection of audit company performing statutory audit, there was no third party making any influence to the committee, no provision specified in the Regulation No 537/2014 16(6) was applied, presents the following recommendation to the Bank's board:

1. Taking into account the information submitted by the applicants participating in the bid about their experience, qualification, ability to perform audit of the accounts compiled in accordance with the international accountability standards, to provide two possible alternatives of audit companies, performing statutory audit: KPMG and Grant Thornton.
2. Taking into account the aforementioned criteria, to deem KPMG as more acceptable option and to recommend this company for the meeting of shareholders to elect it as audit company performing statutory audit.

(Voted: R.V.Zabulienė: "for", G.Kateiva: "for", M.Česnavičius: "for")

Chairperson of the meeting: (signature) R.V.Zabulienė
Secretary of the meeting: (signature) P. Aniūnas
The extract is true: Secretary of the meeting: /signature/ P. Aniūnas