

AUGA GROUP, AB
BOARD MEMBER INDEPENDENCY CRITERIA

1. According to the Law on Companies of the Republic of Lithuania, at least 1/3 of the members of the managerial collegial body exercising the supervisory functions shall be independent.

The Company has only one collegial body, the Management Board, which shall also perform the supervisory functions set out in Article 34 (11) of the Law on Companies. Accordingly, at least 1/3 of the members of the Management Board should be independent.
2. A person is considered to be independent if:
 - (a) He/she has no employment relationship with the Company;
 - (b) He/she is not affiliated with the Company, the controlling shareholder of the Company and members of the Company's management bodies in family, parentage, affinity or partnership relationships;
 - (c) He/she has not had any business relationship with the Company for at least one year prior to the appointment, either directly or as a shareholder, member of the collegial management body or manager of a company that has/had such relationship.

A person related by business relations to the Company is deemed to be a natural or legal person, who is a supplier of goods or a service provider (including financial, legal, advisory or other consulting services), a partner or a person who receives income from the Company, except for remuneration for performance of the duties as a member of the collegial body.
 - (d) when evaluating independency of the specific board member, Management Board is entitled to take into account also other criteria that are commonly used by the best international corporate governance practices in relation to evaluation of independency of board members.
3. The candidate for the Management Board (or the shareholder nominating such candidate), along with other information about the candidate's experience, education, compliance with other criteria (if any), shall indicate whether he/she considers himself/herself an independent candidate and shall also provide information on how the criteria set out in Clause 2 herein are met.
4. The Company, when publishing information about the candidates/board members, shall indicate whether they consider the members to be independent according to the information provided to them and why.
5. The candidates and members of the Management Board shall inform the Company/Management Board of change in circumstances which could affect their independency.
6. The Management Board should at least once a year and if necessary (for example, after the receipt of information from the member about the change in the circumstances under which a member's independence is assessed), more frequently when the need arises, to assess the independence of its members.
7. Information on the independence of the members shall be published on the Company's website, reports.