


# **ANNOUNCEMENT OF THE SELECTION OF 4 (FOUR) INDEPENDENT MEMBERS OF THE BOARD OF KN ENERGIES, SC**



The Ministry of Energy of the Republic of Lithuania announces a selection process for independent members of the Board of KN Energies, SC.

The term of office of the Board is 4 (four) years. The term of the current Board expires on April 25, 2026. Newly elected members will be appointed no earlier than the above-mentioned date, following the completion of the selection procedures.

## **GENERAL INFORMATION**

KN Energies, SC (hereinafter – KN or the Company) is an international energy terminals operator ensuring safe and reliable flows of liquid energy products and liquefied natural gas (LNG) to consumers in the Baltic Sea region, while also supporting clients worldwide with expertise and capabilities in the development of sustainable energy infrastructure projects.

The Company currently operates three liquid energy product terminals in Lithuania (Klaipėda, Subačius and Marijampolė) and manages seven LNG terminals across Lithuania, Germany and Brazil. KN is a public limited liability company, with 72.47% of its shares owned by the State of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania, and 10.43% owned by “Achemos grupė”, JSC. The Company’s shares are listed on the Nasdaq Vilnius Stock Exchange.

To implement its strategic objectives, KN has established several subsidiaries: “KN Global Terminals”, JSC, “SGD SPB”, JSC, KN Açu Serviços de Terminal de GNL LTDA (KN Açu), KN Energies Deutschland GmbH, and “KN New Energy Solutions”, JSC. The Company’s strategy encompasses the strategy of the entire group.

With more than 65 years of operational experience, KN continuously adapts its activities to ensure that the services it provides meet future needs. In pursuit of accelerating the energy transition, the Company, together with its partners, is developing a CO<sub>2</sub> capture and long-term storage value chain, adapting its infrastructure for the storage of hydrogen derivatives, and analysing opportunities for the development of other new energy infrastructure solutions.

With nearly 400 employees currently working in Lithuania and abroad, KN is prepared to meet future challenges. By 2050, the Company aims to achieve climate neutrality in its operations, transition from fossil fuels to future energy sources, and continue creating sustainable value in the energy sector - both by ensuring energy security and delivering financial returns to its shareholders.

KN is committed not only to actively participating in the energy transformation process in Lithuania and the wider region, but also to sharing its globally accumulated practical experience and competencies.


### **Vision**

We envision a world where sustainable liquid energy as well as chemicals and feedstock solutions empower industries and communities, creating a cleaner, safer, and more prosperous future for all.

We strive to be at the forefront of this transformation, continuously innovating and expanding our portfolio of services to support the global energy transition and achieve climate neutrality by 2050.

### **Mision**

We enable safe and reliable liquid energy as well as chemicals and feedstock flows for customers in the Baltic Sea region by:

- Offering storage and transshipment solutions for a variety of liquid energy products, chemicals, and feedstocks for consumption in the region and export into the global market.
  - Enabling the decarbonization of the region by focusing on sustainable solutions and energy carriers.
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- Providing national energy security to the Lithuanian state for both liquid energy and electricity. Supporting customers globally with knowledge and capabilities in the development and operations of LNG or other sustainable energy infrastructure projects.

## Values

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|---|--|--|
| <p><b>We are committed</b></p> <p>We act boldly and learn from mistakes, take responsibility for the outcome, and nurture strong relationships with our clients by creating value for them.</p> | <p><b>We care for today and tomorrow</b></p> <p>Through our actions, we help create a more sustainable present and future. We protect everyone's well-being and embrace innovation to increase efficiency.</p> | <p><b>We achieve together</b></p> <p>We value our colleagues' time, share information purposefully and on time, appreciate differences, and express gratitude for both effort and results.</p> |
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Further information is available on the [Company's strategy](#), [the Letter of Expectations](#), [Financial Statements](#) and [Organisational Structure](#).


## CORPORATE GOVERNANCE STRUCTURE OF KN Energies, SC

In its operations, KN follows the OECD Principles of Corporate Governance, the Guidelines for the Governance of State-Owned Enterprises, and the Corporate Governance Code for Companies Listed on Nasdaq OMX Vilnius, with the aim of implementing best governance practices and strengthening the trust of shareholders and the public.

Among state-owned enterprises, KN seeks to be at the forefront of companies applying good corporate governance principles in Lithuania, as reflected in the State-Owned Enterprises Good Corporate Governance [Index prepared by the Governance Coordination Centre](#).

Currently, the main decision-making bodies of the Company are the General Meeting of Shareholders (hereinafter – the GMS), the Supervisory Council, the Board, and the Chief Executive Officer. The Company has also established committees – the Audit Committee (hereinafter – the AC or Audit Committee) and the Remuneration and Nomination Committee (hereinafter – the RNC or Remuneration and Nomination Committee). More detailed information on the Company's management is available in the [Management section](#) of the KN website.

As indicated above, the Company currently operates under a two-tier governance structure consisting of an independent Supervisory Council and an independent Board. The term of office of the current Board expires on 25 April 2026. In August 2025, the Ministry of Energy of the Republic of Lithuania, which holds 72.47% of the Company's shares, issued a Letter of Expectations setting out the objective to adapt the Company's corporate governance structure (model) to ensure transparency, efficiency, quality, and coordinated operations. **To respond to these objectives and optimise the Company's governance model, it is envisaged that upon the expiration of the current Board's term, the key governance competencies of the Company will be consolidated within a single governing body – the Board. The Board will consist of 6 (six) members, including 4 (four) independent members and 2 (two) civil servants. For this purpose, the Ministry of Energy of the Republic of Lithuania, exercising the rights and obligations of the Company's shareholder, announces a selection process for 4 (four) independent members of the Board.**



**Candidates selected to the Board may also be appointed as members of Board committees, taking into account the planned changes whereby committees will be formed from among the members of the Board. The Board, having assessed the competencies of its members, will decide which members to appoint to the Remuneration and Nomination Committee and the Audit Committee.**

**Independent Board members are to be selected for the following areas of competence:**

1. Financial strategy, audit and risk management;
2. International business development and new markets;
3. Resilience, operational efficiency, innovation and infrastructure development;
4. Sustainability, social responsibility and corporate governance.

### **Remuneration of Board Members**

In accordance with Resolution No. 1092 of the Government of the Republic of Lithuania of October, 14 2015 "On the Approval of the Procedure for the Payment of Remuneration to Members of Collegial Bodies of State-Owned and Municipally Owned Enterprises and Civil Liability Insurance of Members of Collegial Bodies of State-Owned and Municipally Owned Enterprises", a fixed monthly remuneration shall be established for an independent Board member for the term of office of the Board in an amount not lower than one quarter (1/4) of the Company's Chief Executive Officer's average monthly salary (gross).

If an independent Board member of the Company is elected as Chair of the Board, a fixed monthly remuneration of not less than one third (1/3) of the Company's Chief Executive Officer's average monthly salary (gross) shall be established for the period of performing the duties of the Chair.

The specific amount of remuneration in euros shall be determined by the Company's General Meeting of Shareholders.

## **SELECTION PROCEDURE**

The selection procedure is initiated by the Ministry of Energy of the Republic of Lithuania. Recommendations on the shortlisted candidates to the Selection Committee are provided by the responsible representatives of the Legal and Human Resources Group of the Ministry of Energy of the Republic of Lithuania, which has engaged an external executive search agency, "J. Friisberg & Partners", JSC, to support the selection process.

The candidate selection process will be conducted by a Selection Committee composed of one representative nominated by the Prime Minister, one representative nominated by the head of the institution representing the State, one representative nominated by the Minister of the Economy and Innovation, one representative nominated by the Minister of Finance, and one representative of the Governance Coordination Centre.

The method of the selection procedure is an interview.


The term of office of the Board is 4 (four) years.

The commencement of the Board's term of office is planned for April/May 2026 (after the expiry of the current Board's term of office).

The General Meeting of Shareholders shall decide on the appointment of the candidates who best meet the selection requirements, considering the recommendations of the Selection Committee.

### **Documents Governing the Selection Procedure**

The selection procedure is conducted in accordance with the Description of the Selection Procedure for Candidates to the Boards of State-Owned or Municipal Enterprises and for Candidates to Collegial Supervisory or Management Bodies Elected by the General Meeting of Shareholders of State-Owned or Municipal



Companies, approved by [Resolution No. 631 of the Government of the Republic of Lithuania of 17 June 2015](#) "On the Approval of the Description of the Selection Procedure for Candidates to the Boards of State-Owned or Municipal Enterprises and for Candidates to Collegial Supervisory or Management Bodies Elected by the General Meeting of Shareholders of State-Owned or Municipal Companies" (hereinafter – the **Government Selection Procedure Description**).

## REQUIREMENTS FOR CANDIDATES

All candidates must possess the education, knowledge, professional skills, and functional experience necessary to perform the duties of a Board member. Candidates must meet the general, specific, and independence requirements, as well as the evaluation criteria and additional qualifications, to ensure that the Board collectively has the full spectrum of required competencies. Selected candidates must have an impeccable

reputation. Candidates must also comply with other requirements set out in the **Government Selection Procedure Description** and the Company's Articles of Association.

**GENERAL REQUIREMENTS (MANDATORY)** applicable to all Board member positions across all competency areas:

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| 1. | University degree or equivalent higher education.   |
| 2. | Fluent in English, with a minimum proficiency level of B2.  |
| 3. | Must not be deprived of or restricted in the right to hold the position applied for or perform functions assigned to that position.   |
| 4. | Must not have been dismissed in the past 5 (five) years from a sole or collegial governing body of a legal entity due to improper performance of duties.  |
| 5. | Must not be a career civil servant holding a position in a ministry, a government institution, or an institution under a ministry, who is assigned functions related to the formulation of state policy in the economic sector in which the Company operates and to whose collegial body the candidate is applying. |
| 6. | Must be of impeccable reputation <sup>1</sup> .   |
| 7. | Must not have relationships with other natural or legal persons that could create a conflict of interest when serving as a member of a collegial governing body.  |
| 8. | Must not be legally elected or appointed as a state politician or a political (personal) trust civil servant.   |

<sup>1</sup>A person shall not be considered to be of impeccable reputation if, in accordance with the procedure established by law, he or she has been found guilty of a serious or very serious criminal offence, or of a criminal offence against property, property rights or property interests, the economy and business order, the financial system, the civil service and public interests, justice, public security, or public administration, and has an unspent or not expunged criminal conviction.

**Requirements for candidates for the position of independent Board member in the area of Financial strategy, audit and risk management:**

| SPECIFIC REQUIREMENTS (MANDATORY) |   |
|-----------------------------------|---|
| 1.                                | Significant leadership experience gained in the past 5 (five) years in the field of finance (as a CFO or Finance Director) or experience as a Board member representing the finance function in a large, international, or publicly listed company/group with at least 300 employees and annual revenue and/or market capitalization of at least EUR 100 million. Knowledge of risk management and at least 3 (three) years of practical experience in applying it. |
| 2.                                | Work experience in a company/group listed on a stock exchange or preparing for listing, and/or experience in investor relations.  |
| 3.                                | Experience in capital markets, mergers, and acquisitions (M&A).   |
| 4.                                | Knowledge and experience in corporate finance, investment appraisal, financial planning, analysis, operational management, control, and oversight.  |

**Requirements for candidates for the position of independent Board member in the area of International business development and new markets:**

| <b>SPECIFIC REQUIREMENTS (MANDATORY)</b> |  |
|--|--|
| 1.                                       | Significant experience gained over the past 5 (five) years serving as a Chief Executive Officer, senior executive, or non-executive Board member, with expertise in strategic business development and international expansion in the energy sector or other regulated sectors, in a large, international company/group with at least 300 employees and annual revenue and/or market capitalization of at least EUR 100 million. |
| 2.                                       | Experience in capital markets, mergers, and acquisitions (M&A).  |
| 3.                                       | Experience implementing and developing business strategy for international expansion, including global growth, acquisitions, establishment of business units in multiple locations worldwide, and launching new, innovative, customer-oriented products and services with international development experience.  |
| 4.                                       | Understanding of the operational principles of transportation and storage of gas, oil, renewable energy sources, and related products, as well as trends in the energy sector, in both regional and global contexts.   |

**Requirements for candidates for the position of independent Board member in the area of Resilience, operational efficiency, innovation, and infrastructure development:**

| <b>SPECIFIC REQUIREMENTS (MANDATORY)</b> |   |
|--|---|
| 1.                                       | Significant experience gained over the past 5 (five) years serving as a Chief Executive Officer, senior executive, or non-executive Board member in a large, international, or publicly listed company/group with at least 300 employees and annual revenue and/or market capitalization of at least EUR 100 million. |
| 2.                                       | Experience in designing and implementing international energy or infrastructure projects.   |
| 3.                                       | Understanding of the operational principles of transportation and storage of gas, oil, renewable energy sources, and related products, as well as trends in the development of the energy sector in regional and global contexts.   |
| 4.                                       | At least 3 (three) years of experience in the safe operation of gas, oil, renewable energy, and related products transportation/storage infrastructure.   |
| 5.                                       | Experience implementing innovations in the energy sector or other regulated sectors.  |

**Requirements for candidates for the position of independent Board member in the area of Sustainability, social responsibility, and corporate governance:**

| <b>SPECIFIC REQUIREMENTS (MANDATORY)</b> |   |
|--|---|
| 1.                                       | Significant experience gained over the past 5 (five) years serving as a Chief Executive Officer, senior executive, or non-executive Board member in a large, international, or publicly listed company/group with at least 300 employees and annual revenue and/or market capitalization of at least EUR 100 million. |
| 2.                                       | Understanding of sustainability principles and experience integrating them into organisational strategy.  |
| 3.                                       | Experience in change management within a large, international company or group.   |
| 4.                                       | Experience in human resources management and policy development in a large, international company or group, including employee safety, social responsibility, diversity and inclusion, and ethics standards.  |
| 5.                                       | Experience in planning and developing leadership and critical roles within the organisation.  |
| 6.                                       | Experience recruiting senior executives both directly and in collaboration with executive search firms, as well as in designing and applying executive assessment systems.  |

**Evaluated and additional advantages applicable to all Board member positions across all competency areas:**

| <b>EVALUATED ADDITIONAL ADVANTAGES</b>   |  |
|--|--|
| <b>Relevant for all (at least three potential Audit Committee members):</b>                          |  |
| 1.   | Knowledge of finance and accounting.   |
| 2.   | Experience with internal and external audits.  |
| 3.   | Knowledge of risk management and experience in developing and overseeing risk management systems.  |
| 4.   | Knowledge and experience in compliance.  |
| <b>Relevant for all (at least three potential Remuneration and Nomination Committee members):</b>    |  |
| 5.   | Experience in organizational development (human resources).  |
| 6.   | Experience in stakeholder management.  |
| <b>Relevant for all (all the following experiences required for a potential Chair of the Board):</b> |  |
| 7.   | Knowledge and experience in corporate governance.  |
| 8.   | Experience as an independent Board member.   |
| 9.   | Experience chairing independent Boards.  |
| 10.  | Experience serving on Board committees.  |
| <b>ADDITIONAL ADVANTAGES</b>   |  |
| 11.  | Experience in overseeing state-owned enterprises.  |
| 12.  | At least 3 (three) years of experience as a member of a collegial governing body.  |
| 13.  | Experience in a publicly listed company or a company/group preparing for listing.  |
| 14.  | Experience leading or actively participating in organisation-wide strategic digital transformation projects, from planning through implementation.   |
| 15.  | Demonstrated ability to initiate and implement innovations, including the adoption of new technologies and digital initiatives to improve operational efficiency and organisational performance. |
| 16.  | Experience in the field of cybersecurity.  |
| 17.  | Experience applying environmental, social, and corporate governance (ESG) criteria.  |
| 18.  | Industry-specific knowledge, including an understanding of sector dynamics.  |
| 19.  | Leadership experience in infrastructure companies.   |
| 20.  | Leadership experience in companies operating within highly regulated environments.   |
| 21.  | Leadership experience in state- or municipality-owned enterprises.   |

## **SUBMISSION OF CANDIDATE DOCUMENTS AND SELECTION PROCEDURE**

**Documents to be submitted.** Candidates participating in the selection process must provide information demonstrating compliance with the established requirements, namely:

- [Candidate's application to participate in the selection and a declaration of honour;](#)
- [Candidate's declaration of integrity and independence;](#)
- Curriculum Vitae (CV);
- Copy of the candidate's identity document;
- Candidate's motivation letter (free form);
- Copies of documents certifying higher education;
- Other documents or copies thereof confirming compliance with general, specific, and independence requirements;
- At the request of representatives of the executive search agency "J. Friisberg & Partners," JSC, candidates may be asked to provide additional documents confirming compliance with the specified general, specific, and independence requirements, as well as evaluated and additional advantages.





### **Submission Deadlines and Contacts**

Candidates must indicate for which of the independent Board member positions specified in this announcement they are applying.

All submitted documents are significant in assessing the candidates' suitability and motivation.

Documents must be signed using secure electronic signature tools with qualified electronic signature certificates.

Candidates may submit their documents within twenty (20) calendar days from the publication of this selection announcement on the website of the Ministry of Energy of the Republic of Lithuania, [www.enmin.lt](http://www.enmin.lt), i.e., by **January, 26 2026** (inclusive).

Documents should be sent to the executive search agency "J. Friisberg & Partners", JSC via email: [vilniuscv@friisberg.lt](mailto:vilniuscv@friisberg.lt), with the subject line: **"Application for the position of Independent Board Member of KN Energies, SC – [specify the area applied for]"**.

Contact person for questions regarding document submission and the selection process: Representative of "J.Friisberg & Partners," JSC, Saulė Dienienė Archipova (ph. +370 686 98681, e-mail [saule@friisberg.lt](mailto:saule@friisberg.lt)).

Contact person at the Ministry of Energy of the Republic of Lithuania: Adviser of the Legal and HR Group, Brigita Micevičienė (ph. +370 670 90471, e-mail: [brigita.miceviciene@enmin.lt](mailto:brigita.miceviciene@enmin.lt)).

Confidentiality of all candidates will be strictly ensured.

### **Candidate Confirmations**

By agreeing to be considered for nomination for election by the Company's General Meeting of Shareholders, candidates also consent that, prior to making such a decision, the entity initiating the selection process has the right to request, through a reasoned written request, information about them from law enforcement, supervisory, and other relevant institutions, authorities, or companies.

Candidates who submit documents to participate in the selection process are deemed to be familiar with the legal obligations arising in the event of their selection and appointment to the position, and with the related agreements to be concluded with them.

### **Privacy Notice**

Personal data provided for the purposes of the selection process will be processed in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, repealing Directive 95/46/EC (General Data Protection Regulation), and the Law on Legal Protection of Personal Data of the Republic of Lithuania.

Submitted documents will be stored in accordance with the Law on Documents and Archives of the Republic of Lithuania and the procedures established by the Chief Archivist of Lithuania.

