

APPROVED  
by Order No. 1-6 of 11 January 2023  
of the Director of UAB Lithuanian Exhibition  
and Congress Centre LITEXPO

## **GENERAL REMUNERATION POLICY OF UAB LITHUANIAN EXHIBITION AND CONGRESS CENTRE LITEXPO**

### **1. GENERAL PROVISIONS**

- 1.1. The Remuneration Policy of UAB Lithuanian Exhibition and Congress Centre LITEXPO (hereinafter – the Company) (hereinafter – the Remuneration Policy) defines the principles for determining employees’ salaries and additional benefits, the remuneration system and guidelines for its implementation, with the aim of attracting, retaining and motivating competent and professional employees to achieve the Company’s strategic objectives, encouraging employees to pursue ambitious personal goals, and ensuring efficient management of the salary budget.
- 1.2. The Remuneration Policy applies to all employees of the Company, except for the Director of the Company, whose remuneration, its determination principles and additional benefits are established by the Board.
- 1.3. The Remuneration Policy, as well as its amendments and supplements, are approved by order of the Director of the Company, in agreement with the Works Council operating within the Company.
- 1.4. All internal documents of the Company related to the determination or management of remuneration and additional benefits are prepared in accordance with this Remuneration Policy.
- 1.5. The Head of Human Resources is responsible for interpreting the Remuneration Policy, providing recommendations on its implementation to managers and other employees, and providing information to the Director of the Company.

### **2. OBJECTIVES OF THE REMUNERATION POLICY**

- 2.1. To establish clear and transparent principles for employee remuneration in the Company, a remuneration system based on these principles, as well as principles for determining additional benefits.
- 2.2. To ensure internal fairness and external competitiveness of remuneration.
- 2.3. To encourage employees and project, event and catering teams to achieve personal, team/department and Company objectives and to work efficiently in line with the Company’s values.
- 2.4. To ensure fair and equitable remuneration for employees based on their contribution, work results and efforts.

### **3. TERMS AND DEFINITIONS**

<b>Remuneration Policy</b>	This Remuneration Policy of UAB Lithuanian Exhibition and Congress Centre LITEXPO, including all its annexes, amendments and supplements (if any).
<b>Remuneration for work</b>	The monetary compensation established by the Company for work performed, consisting of base salary (BS), variable pay component (VPC), where applicable, as well as statutory bonuses and allowances.
<b>Remuneration system</b>	A model structured on the basis of job levels, where each job level has a defined reference point – the target base salary level paid for the specific job level by companies operating in Lithuania participating in remuneration market surveys.
<b>Median base salary in the Lithuanian market</b>	The base salary level at which half of the companies operating in Lithuania participating in remuneration market surveys pay less, and the other half pay more, for employees assigned to the same job level.

<b>Base salary (BS)</b>	The employee's monthly salary amount specified in the employment contract.
<b>Variable pay component (VPC)</b>	The part of remuneration paid in addition to the employee's base salary (BS) after the probation period, taking into account the quantity and quality of work, achievement of objectives, and performance results.
<b>Bonus for the implementation of a specific project / quarterly bonus</b>	A part of remuneration paid to the employee for exceeding agreed individual and/or team objectives within a defined period or upon completion of a project; paid at the end of the agreed accounting period or project.
<b>Bonus and allowance</b>	A part of remuneration paid to the employee in accordance with legal requirements for work performed under conditions deviating from normal working conditions (overtime work, work on rest days or public holidays), as well as compensation for additional tasks performed under prior agreement approved by the Director of the Company.
<b>Annual bonus</b>	A part of remuneration paid to the employee for achieving annual objectives or the Company's financial targets.
<b>One-time bonus for exceptional achievements</b>	A part of remuneration paid to the employee for an outstanding contribution that has had a significant impact on the Company's performance results.
<b>Additional benefit</b>	Part of the total remuneration package – an additional employee motivation measure granted depending on the employee's job level and taking into account market practices.
<b>Job level</b>	A relative unit used to evaluate a position according to the selected methodology, indicating the relative value of the position within the Company.
<b>Job structure</b>	All Company positions grouped into job levels according to their weight/value.
<b>Employee performance appraisal (EPA)</b>	Evaluation of employee objectives and their achievement according to agreed indicators, forming the basis for decisions regarding the payment of the variable pay component (VPC) and/or bonuses, as well as review of the base salary (BS).
<b>Job evaluation methodology</b>	An internationally recognised method widely applied in the Lithuanian market for determining the weight/value of a position.
<b>Head of the Company</b>	Director of UAB Lithuanian Exhibition and Congress Centre LITEXPO.
<b>Top-level executive</b>	Director.
<b>Heads of core business units</b>	Head of the Exhibition Organising Department Head of the Events Department Head of the Sales Department Head of the Marketing Department
<b>Heads of support functions</b>	Head of Human Resources Chief Financial Officer Head of the Service Department Head of Customer Service Group Head of Infrastructure Service Group Head of Installation Works
<b>Principal specialists</b>	Legal Counsel Project Manager of the Exhibition Organising Department
<b>Senior specialists, specialists</b>	Procurement Manager Office Administrator Accountant Sales Manager Project Assistant Project Manager of the Events Department Project Manager of the Marketing Department Architect-Designer

	IT Engineer Sales Manager Engineer
<b>Service staff, skilled and unskilled workers</b>	Event Administrator Security Officer Warehouse Supervisor-Installer Installer
<b>Project team</b>	A team of employees formed for a specific project (in accordance with the Project Management Standard): - Project Manager of the Exhibition Organising Department - Project Assistant - Marketing Project Manager - Sales Manager (space sales) - Sales Manager (stand sales) - Architect-Designer
<b>Events Department team</b>	Project Manager of the Events Department International Projects Manager of the Events Department

#### 4. COMPONENTS OF REMUNERATION

##### 4.1. Remuneration:

- 4.1.1. **Base salary (BS)** – the contractual salary specified in the employment contract, paid on a monthly basis.
- 4.1.2. **Variable pay component (VPC)** – paid together with the base salary (BS) on a monthly, quarterly basis or upon completion of a project, taking into account the quantity, quality and results of work in relation to pre-agreed objectives/key performance indicators.
- 4.1.3. **Bonus (project-based, quarterly, annual)** – paid for exceeding agreed individual and/or team results within a defined period or upon completion of a project, or for achieving strategic objectives; paid at the end of the agreed accounting period or project.
- 4.1.4. **One-time bonus for exceptional achievements** – additional payments made to employees, on top of all remuneration components, for an outstanding contribution that has had a significant impact on the Company’s performance results. The amount of the payment is determined as a percentage of the employee’s base salary (BS) by decision of the Director of the Company.

##### 4.2. Bonuses and allowances:

- 4.2.1. Additional remuneration provided for in the Labour Code of the Republic of Lithuania for work performed under conditions deviating from normal working conditions (overtime work, work on rest days and public holidays);
- 4.2.2. Remuneration for additional tasks, provided that this is agreed in advance and approved by the Director of the Company.

##### 4.3. Additional benefits:

- 4.3.1. Training and professional development;
- 4.3.2. Company celebrations and events;
- 4.3.3. Free attendance of exhibitions and conferences organised by the Company during working hours;
- 4.3.4. Awards and gifts for exceptional achievements
- 4.3.5. Additional work tools (car, mobile phone)
- 4.3.6. Other.

#### 5. PRINCIPLES FOR DESIGNING THE REMUNERATION SYSTEM

- 5.1. The remuneration system is developed on the basis of the job structure by grouping all positions into determined according to a methodology recognised in international practice and widely applied in Lithuania. The job levels of the Company’s employees are approved by the Director.

- 5.2. For each job level, a target base salary (BS) is established – the median base salary paid for the respective job level by companies operating in Lithuania participating in remuneration market surveys.
- 5.3. Job levels group together positions of similar value; employees assigned to these positions are paid a base salary (BS) aligned with the market median applicable to the respective job level.
- 5.4. Job levels are grouped into the following categories, which serve as the basis for differentiating the components of monetary remuneration and additional benefits:

HAY level	Category	Job groups assigned to the category
19	A	Top-level executive
15-18	B	Heads of core business units
13-14	C	Heads of support functions, principal specialists, senior specialists, specialists
8-12	D	Service staff, skilled and unskilled workers

5.5. In determining an employee’s base salary (BS) and assessing the competitiveness of total monetary remuneration in the labour market, the Company relies on remuneration survey data and other salary market sources.

5.6. Based on remuneration market data and other relevant sources, as well as taking into account the competitive environment and labour market specifics, the Company’s remuneration system is reviewed annually.

## 6. DETERMINATION AND PAYMENT OF BASE SALARY

6.1. For each position, the base salary (BS) is determined within the salary range established for the respective job level, which varies from 80% to 120% of the selected market position median, as defined in clause 6.2 of this Remuneration Policy.

6.2. The salary range (“salary band”) defines the lower and upper limits of possible individual salaries for specific positions within a given job level. The minimum limit (80%) represents the lowest possible remuneration for the position, while the maximum limit (120%) represents the highest. Salary bands help prevent significant overpayment for positions at the same level and thus increase the level of internal equity. Deviations from these limits are permitted only in justified exceptional cases.

6.3. An employee’s salary is differentiated within the range of 80% to 120% of the established job level, taking into account whether the employee is new to the position, in the learning phase or probation period; or whether the employee possesses the required knowledge and experience and consistently meets all position requirements, or frequently or consistently exceeds performance expectations and results.

## 7. PRINCIPLES FOR DETERMINING THE VARIABLE PAY COMPONENT (VPC) AND PROJECT / QUARTERLY BONUSES

7.1. **The variable pay component (VPC)** depends on the quantity and quality of work and performance results. It is paid to project team members upon completion of projects; to members of the Events Department team for successful quarterly performance results and individual events (exhibitions); to members of the catering team for successful monthly and quarterly performance results; and to heads of core and support business units, as well as principal specialists, senior specialists and specialists, for quarterly results based on pre-defined / agreed key performance indicators (KPIs).

7.2. **Project bonuses** are paid to project team members for exceeding the agreed financial targets of a specific project and achieving individual objectives (based on agreed individual key performance indicators – KPIs).

7.3. **Quarterly bonuses** are paid to members of the Events Department team for exceeding the quarterly budget targets.

7.4. **A one-time bonus** may be granted for exceptional results, when an unplanned project not included in the budget is implemented and/or exceptional performance is achieved, as well as for temporarily assigned additional tasks. The decision to grant a one-time bonus is made by the Director of the Company upon recommendation of the employee’s direct manager.

## **8. ANNUAL BONUSES**

8.1. An annual bonus is paid to heads of core and support business units, principal specialists who are not members of project, events or catering teams, as well as service staff, skilled and unskilled workers.

8.2. The amount of the annual bonus is determined as a coefficient of the employee's base salary (BS).

8.3. The amount of the annual bonus depends on the job category, the achievement of agreed annual individual strategic objectives, and the Company's performance results.

## **9. ADDITIONAL BENEFITS**

9.1. Additional benefits are determined according to specific job categories.

9.2. The list of additional benefits is established based on labour market trends, remuneration market survey data, employee needs and the Company's financial capabilities.

9.3. Financial resources for employee additional benefits are approved by the Board upon proposal of the Director of the Company.

9.4. The list of additional benefits by employee category is provided in Annex 6 to this Remuneration Policy.

9.5. The list of additional benefits and their application are reviewed once per year together with the salary review.

## **10. FINANCIAL ASSISTANCE AND OTHER BENEFITS FOR SOCIAL NEEDS**

10.1. By decision of the Director of the Company, financial assistance of up to EUR 500 may be granted to an employee in cases of severe financial hardship due to the employee's illness, illness or death of family members (spouse, child (adopted child), mother (adoptive mother), father (adoptive father)), natural disaster or loss of property, provided that a written request is submitted together with supporting documents.

## **11. SALARY REVIEW PROCEDURE**

11.1. Salaries are reviewed taking into account:

- the economic situation in Lithuania;
- remuneration market trends among companies operating in Lithuania;
- the Company's performance results;
- employee performance appraisal results.

11.1.1. salaries are reviewed once per year or in the following cases:

11.1.2. changes in the Company's organisational structure and/or transfer of the employee to another position;

11.1.3. changes in the employee's responsibilities and the corresponding job level, or an increase in workload;

11.1.4. evaluation of the employee's performance results and growth in competence.

## **12. FINAL PROVISIONS**

12.1. The Company ensures that the Remuneration Policy complies with the requirements of the law of the Republic of Lithuania.

12.2. The Head of Human Resources ensures that any changes to remuneration provisions are formalised through the relevant internal Company documents (orders, agreements, etc.), monitors their implementation.

informs managers and employees on general remuneration matters, ensuring transparency in the application of remuneration principles.

12.3. An appropriate annual budget is planned for the implementation of the Remuneration Policy, which is prepared, managed and monitored by the Head of Human Resources.

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