

Enefit Green AS

Commercial Registry number: 11184032

Registered office: Lelle 22, Tallinn 11318

REPORT OF THE SUPERVISORY BOARD

on the financial year 2021

This report of the supervisory board of Enefit Green AS has been prepared in accordance with section 333 (1) of the Commercial Code for presentation with the annual report for 2021.

Supervisory board of Enefit Green AS

At 1 January 2021, the members of the supervisory board of Enefit Green AS were Hando Sutter (chairman), Andri Avila, Raine Pajo and Margus Vals. The term of office of that composition of the supervisory board expired on 20 October 2021. In connection with the listing of Enefit Green AS's shares on the stock exchange, the general meeting removed the previous members of the supervisory board and elected a new supervisory board, effective from 21 October 2021, comprising Hando Sutter, Andri Avila, Raine Pajo, Erkki Raasuke and Anne Sulling. The latter two are independent in the meaning of the Corporate Governance Recommendations promulgated by the Tallinn Stock Exchange.

The members of the supervisory board who represent Eesti Energia AS are not remunerated. Consistent with the resolution of the shareholder of 14 October 2021, the remuneration of the independent members of the supervisory board is €1,000 per month. Accordingly, Erkki Raasuke and Anne Sulling were paid €2,333 each in 2021.

As a rule, the supervisory board meets once a month. In 2021, however, a number of important events took place and the supervisory board had 48 meetings or electronic votes, three of them after the election of the new supervisory board and the listing of Enefit Green AS's shares on the stock exchange.

Annual report of Enefit Green AS for 2021

The supervisory board of Enefit Green AS approved the annual report for 2021 (including a description of compliance with the Corporate Governance Recommendations), which had been prepared by the management board, on 30 March 2022.

The supervisory board also approved the profit allocation proposal accompanying the annual report for 2021, which had been prepared by the management board as follows:

Enefit Green AS's total consolidated retained earnings as at 31 December 2021 were €157,673k, including net profit for 2021 of €79,661k.

To allocate the 2021 profit as at 31 December 2021 as follows:

1. to distribute a dividend of €39,906k (€0.151 per share) to the shareholders;
2. to transfer €2,779k to the statutory capital reserve;
3. to retain the remaining €36,976k as retained earnings.

The supervisory board of Enefit Green AS decided to submit the annual report for 2021 together with the accompanying profit allocation proposal (Annex 1) for approval by the shareholders.

Responsibilities of the supervisory board and significant matters addressed in 2021

The principal responsibilities of the supervisory board are planning Enefit Green AS's activities, adopting major strategic decisions for the Enefit Green group, organising the management of the company and overseeing the activities of the management board.

During the financial year 2021, the supervisory board of Enefit Green AS discussed the following significant matters and adopted resolutions on them:

1. approval of the annual report and the allocation of profit for 2020;
2. approval of Enefit Green's budget for 2021;
3. adoption of an investment decision on the Akmeņe wind farm (Lithuania);
4. adoption of an investment decision on the Šilalė II wind farm (Lithuania);
5. purchase of land for the Sopi wind farm from Eesti Energia AS;
6. acquisition of the Kelme II and Kelme III wind farm development projects (Lithuania);
7. topics related to the listing of Enefit Green's shares;
8. approval of Enefit Green's internal policies and procedures (management board members' remuneration policy, policy for related party transactions, policy for management of conflicts of interest, rules of procedure of the supervisory board, rules of procedure of the audit committee, internal audit statute).
9. conclusion of long-term agreements for the sale of electricity (power purchase agreements);
10. conclusion of the loan agreements of Enefit Green AS;
11. approval of the business plan of Enefit Green AS;
12. extension of the terms of office of the members of the management board of Enefit Green AS;
13. adoption of an investment decision on the Zambrow PV (solar) farm (Poland);
14. establishment of an audit committee, appointment of its members and determination of their remuneration;
15. adoption of an investment decision on the Tolpanvaara wind farm (Finland);
16. appointment of the internal auditor;
17. approval of Enefit Green's budget for 2022.

The supervisory board believes that the management board has submitted matters beyond the scope of ordinary business activities for approval by the supervisory board as required by law and the articles of association.

/signed digitally/

Hando Sutter
Chairman of the Supervisory Board