



AB Akola Group

# Consolidated Sustainability Report

2024/2025 Financial Year | For the 12-month period ended 30 June 2025

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Inspired by land and food and applying our experience, authentic knowledge, and cutting-edge technologies, we grow daily to shape an era of sustainable agriculture and nourishing food.

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### **General disclosures**

ESRS 2

### **Basis for preparation**

#### GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENT

(ESRS 2 | BP-1 3)

The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), as adopted by Commission Delegated Regulation (EU) 2023/2772. It is presented as part of the consolidated management report for the financial year ending 30 June 2025 and covers the material sustainability matters relevant to AB Akola Group (the Group). The report follows the principles of double materiality, faithful representation, and consistency with the reporting boundary applied in the consolidated financial statements. The statement reflects AB Akola Group's strategy, governance, impacts, risks, and opportunities relating to environmental, social, and governance matters.

#### BASIS AND SCOPE OF CONSOLIDATION FOR THE SUSTAINABILITY STATEMENT

(ESRS 2 | BP-1 5 a-b)

This sustainability statement is prepared on the basis of AB Akola Group's consolidated financial reporting boundary, applying the full operational control approach. Associated companies are excluded from consolidation and accounted for using the equity method.

The consolidation scope for sustainability reporting is identical to the financial perimeter: all entities under full operational control are included, unless explicitly excluded due to immateriality. Two subsidiaries, Nordic Agro Investment Limited (UK) and OOO KLM (BY), although part of the financial consolidation, are excluded from sustainability reporting as they do not generate or are not exposed to material sustainability-related impacts, risks, or opportunities. This determination follows structured impact and risk screening in line with ESRS 2 BP-1 and Article 29b(2) of Directive 2013/34/EU.

Sustainability disclosures are based on uniform Group-wide reporting policies, drawing on internal accounting records, management systems, operational data, and, where necessary, modelling or estimates supported by reasonable assumptions.

No other subsidiaries have been exempted.

#### **EXTENT OF VALUE CHAIN COVERAGE**

(ESRS 2 | BP-1 5 c | AR 1)

The sustainability statement covers **both upstream and downstream value chain activities** to the extent required under ESRS and consistent with the **double materiality assessment** performed by AB Akola Group. Upstream coverage includes input suppliers (e.g. seeds, feed, fertilisers, packaging materials), service providers (e.g. transport, logistics, machinery servicing), and energy providers. Downstream coverage includes logistics, processing, trade, and customer-facing activities where the Group retains operational responsibility or significant influence.

Scope 3 emissions, transition risks, and value chain-related impacts are assessed across all material categories where data quality and relevance meet disclosure thresholds. Where upstream or downstream data are estimated, modelling approaches and assumptions are disclosed under topical standards (e.g. E1-6, E1-7). The Group continues to develop its data infrastructure to expand traceability and value chain visibility over time.

#### OPTION TO OMIT INFORMATION RELATED TO INTELLECTUAL PROPERTY

(ESRS 2 | BP-1 5 d)

No information has been omitted from this sustainability statement on the grounds of protecting **intellectual property**, **trade secrets**, **know-how**, or the **results of innovation**. All disclosures are made in full and without redaction under ESRS 2 5(d).

#### OPTION TO OMIT INFORMATION RELATED TO IMPENDING DEVELOPMENTS

(ESRS 2 | BP-1 5 e)

AB Akola Group has not exercised the option to omit disclosures concerning impending developments or matters in the course of negotiation, as permitted under national law. All relevant information has been disclosed in full to the extent required under ESRS 2 5(e) and applicable Member State transposition of Article 19a(1) of Directive 2013/34/EU.

#### **DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES**

(ESRS 2 | BP-2 6)

No disclosures in this sustainability statement are made under the provisions for specific circumstances as defined in ESRS 1 Appendix C. AB Akola Group is subject to the full reporting requirements under Article 29a of Directive 2013/34/EU and does not qualify for exemptions relating to voluntary, interim, or simplified sustainability statements. All information has been prepared in accordance with the general and topical ESRS.

#### TIME HORIZON DEFINITIONS AND DEVIATION STATEMENT

(ESRS 2 | BP-2 9 a-b)

AB Akola Group has not deviated from the medium- or long-term time horizon definitions set out in ESRS 1 Appendix D. All forward-looking information, including risk assessments and scenario analyses, is aligned with the standard ESRS definitions of short-, medium-, and long-term horizons.

The Group applies the following time horizon definitions:

• Short-term: 1 year

Medium-term: 2 to 5 yearsLong-term: more than 5 years

For climate-related risk and resilience analysis, the long-term horizon is further specified as:

2030 horizon: 2021 – 2040
2050 horizon: 2041 – 2060

These windows correspond to CMIP6 scenario periods and are applied consistently across SSP-based modelling. Shared Socioeconomic Pathways (SSPs) are standardized global scenarios that combine socioeconomic assumptions with greenhouse gas concentration trajectories to assess climate change risks and adaptation strategies. The ESRS 1 Appendix D definitions align with internal planning cycles, climate modelling, and risk evaluation frameworks, and therefore no deviation is required.

#### METRICS INCLUDING VALUE CHAIN DATA ESTIMATED USING INDIRECT SOURCES

(ESRS 2 | BP-2 10 a-d)

Some of the metrics disclosed in this sustainability statement incorporate value chain data estimated using indirect sources, particularly where primary data is not available from suppliers or value chain partners. This applies primarily to Scope 3 GHG emissions and soil-related indicators.

Metrics using value chain data from indirect sources:

- Scope 3 GHG emissions (E1-6), notably in purchased goods and services, transport, waste, packaging, and soil inputs (fertilisers, crop residues)
- Soil-related climate risk indicators based on harmonised datasets (e.g. SoilGrids250m, ΔΒΙΟ16, R99)
- Energy and refrigerant related emissions where supplier-specific data is incomplete (e.g. DEFRA-based estimates for fuels and HFC leakage)

Basis for preparation of estimated metrics:

- GHG Protocol and DEFRA 2024/2025 conversion factors, with IPCC AR6 GWPs (CH<sub>4</sub> = 27-30; N<sub>2</sub>O = 273)
- Solagro Carbon Calculator, aligned with EU policy and validated by JRC
- SoilGrids v2.0 and CMIP6-aligned climate projections (SSP scenarios, 2030 and 2050 horizons) for arable land risk analysis
- Ton-kilometre and well-to-tank methods for Scope 3 transport and fuel emissions (DEFRA 2024, AIB residual mixes)
   All metrics use uniform system boundaries, scenario assumptions, and spatial matching, as documented in the Group's GHG Accounting Methodology and Group's Climate Risks Methodology.

Resulting level of accuracy of estimated metrics:

High confidence: Scope 1 and 2, refrigerants, on-site soil data

- Moderate confidence: feed, fertiliser, packaging-related Scope 3
- Low to moderate confidence: logistics and processing Scope 3 where supplier data is lacking
- Soil-related indicators derived from SoilGrids v2.0 and CMIP6 climate projections are assessed as moderate confidence, reflecting the scientific robustness of the datasets but also recognising inherent modelling uncertainty at regional scales

  Where proxies are used, conservative factors apply. All values are documented, traceable, and internally validated.

#### Planned actions to improve accuracy:

- Supplier engagement and data collection for upstream emissions (feed, fertilisers, packaging)
- Further disaggregation of Scope 3 by product, supplier, and geography using DEFRA, Carbon Cloud, Solagro, and EU LCA sources
- Integration of sustainability metrics into procurement traceability systems

  These steps are designed to reduce reliance on proxies and increase the share of primary data in value chain accounting.

### QUANTITATIVE METRICS AND MONETARY AMOUNTS SUBJECT TO HIGH MEASUREMENT UNCERTAINTY

(ESRS 2 | BP-2 11 a-12)

Certain metrics are subject to high or moderate measurement uncertainty due to scenario-driven climate models, value chain proxies, and biological system assumptions. These include:

- Scope 3 GHG emissions from purchased goods, upstream transport, and packaging
- CH<sub>4</sub> and N<sub>2</sub>O emissions from enteric fermentation and manure management, relying on Tier 2 assumptions for excretion, housing, storage, and volatilisation
- Soil N2O emissions and carbon sequestration, modelled using Solagro guidelines with regional soil and crop data
- Risk scores (Likelihood, Severity, Vulnerability) under SSP scenarios (SSP1-2.6 to SSP5-8.5), where hazard occurrence and exposure are modelled, not
  directly observed
- Double materiality results, particularly financial effect estimates under DR E1-9, which are scenario-bound and assumption-dependent

These metrics comply with ESRS E1 21(b) but remain sensitive to parameter choices, data sources, and forward-looking assumptions.

#### Sources of measurement uncertainty

- Use of widely accepted but non-empirical datasets:
  - BIOCLIMA19 (IPCC CMIP6-derived indices)
  - SoilGrids250m (ISRIC) for pH, clay, silt, bulk density, SOM
  - ERA5 reanalysis for historic baselines
  - WWF Water Risk Filter (water stress, floods)
  - WTE (World Terrestrial Ecosystems) for ecosystem shifts

- Assumption-based scoring in risk assessments:
  - Likelihood ratings from downscaled climate model frequencies
  - Sensitivity and Adaptive Capacity based on object-level scoring logic, not continuous measurements
  - Composite scores (1-125) from Likelihood × Severity × Vulnerability, which are modelled, not observed
- Use of third-party emission factors (Solagro, DEFRA, IPCC) instead of supplier- or site-specific data
- Double materiality valuations (CAPEX thresholds, stranded asset risks) dependent on assumed carbon prices, hazard frequency, or irreversibility thresholds

These inputs align with EU climate risk frameworks and international reporting standards but are subject to inherent model and parameter uncertainty.

#### Assumptions, approximations, and judgements

- Enteric fermentation and manure:
  - CH<sub>4</sub> and N<sub>2</sub>O estimates follow IPCC Tier 2 and Solagro methodology
  - Factors vary by livestock type, weight, feed intake, storage type, excretion rate
  - Poultry CH<sub>4</sub> modelled with fixed Ym = 0.6% and weight-specific DMI (Dry Matter Intake)
- Soil related emissions and sequestration:
- Includes direct (fertiliser, residues) and indirect (volatilisation, leaching) N₂O pathways
  - Factors matched to NUTS3 soil and climate data, not plot-level measurements
  - SOC (Soil Organic Carbon) sequestration estimated by SOM (Soil Organic Matter) class, tillage, crop rotation, residue practices
- · Scenario-based Climate risk scoring:
  - Likelihood defined per hazard using CMIP6 projections (e.g. heatwave frequency in SSP3-7.0)
  - Severity scored on scale, scope, irreversibility (1-5 each)
  - Vulnerability = average of sensitivity and inverse adaptive capacity
  - Composite Risk = Likelihood × Severity × Vulnerability (1–125)
  - Materiality thresholds (e.g. EUR50/tCO₂e, scores ≥75) defined internally and scenario-dependent
- · Double materiality:
  - Forward-looking CAPEX and impairment based on scenario triggers
  - No carbon credit offsets applied
  - All effects assessed at object level for 2030 (2021-2040) and 2050 (2041-2060) horizons

All assumptions are traceable to internal methodologies, cited sources, and scenario-specific overlays. Limitations and approximations are disclosed in DR E1-6 to F1-9.

## CHANGES IN PREPARATION AND PRESENTATION OF SUSTAINABILITY INFORMATION AND REASONS FOR THEM (ESRS 2 | BP-2 13 a)

The transition from GRI to ESRS required substantial changes in how sustainability information is structured and presented, despite continuity in scope, data systems, and operational definitions. The most significant changes relate to **how information is framed, interpreted, and quantified under ESRS standards**:

- **Double materiality replaces stakeholder-centred materiality**, requiring the Group to assess both inward and outward impacts under a unified framework. This has altered the classification of certain topics as material or not, even where disclosures under GRI were previously extensive.
- Resilience is now assessed using scenario-based modelling, not qualitative discussion. This introduces quantified risk scoring (e.g. Likelihood, Severity, Vulnerability) at object level, using harmonised climate and soil datasets. In GRI reports, resilience was discussed narratively without the use of modelled climate deltas.
- **Disclosure boundaries remain unchanged**, but presentation requirements have become significantly more prescriptive. Under GRI, information could be organised thematically. ESRS requires a standardised structure with fixed disclosure blocks and legal references, reducing flexibility in how results are communicated.
- **Financial effects and assumption sensitivity must now be disclosed**. Previously, the Group reported on emissions, practices, and compliance. Under ESRS, this is extended to include scenario-dependent effects on CAPEX, asset usability, and systemic risk even where no impairment has occurred.
- Methodologies used for risk and impact assessment are now disclosed in full, including assumptions, models, and limitations. Under GRI, such technical transparency was not required. This reporting cycle therefore includes formal documentation of estimation approaches, spatial overlays, and uncertainty boundaries.

These changes were implemented to ensure compliance with ESRS Delegated Regulation (EU) 2023/2772 and reflect the Group's evolving maturity in risk disclosure and sustainability integration.

#### REVISION OF PRIOR PERIOD FIGURES AND APPLIED FRAMEWORKS

(ESRS 2 | BP-2 13 b-15)

AB Akola Group has not revised any comparative figures disclosed in preceding periods. No differences between prior and current disclosures arise, and no prior period material errors have been identified. Accordingly, no corrections of prior period data are included in this sustainability statement, and no explanation of impracticability is required.

The sustainability statement is prepared exclusively in accordance with the European Sustainability Reporting Standards (ESRS) as adopted under Directive 2013/34/EU. No other sustainability reporting standards or frameworks have been applied. References to standards are limited to ESRS disclosure requirements as set out in this report.

#### MANDATED DISCLOSURE REQUIREMENTS

(ESRS 2 | BP-2 16)

This sustainability statement includes all Disclosure Requirements (DRs) and Data Points (DPs) required under ESRS 2, as well as all DRs from topical standards that were assessed to be material through AB Akola Group's double materiality process.

A complete list of mandatory DRs and DPs included in the report is provided in the Annex I. Where a topical standard was determined not to be material at Group level, this is explicitly disclosed under ESRS 2 BP-2 17.

All mandatory DRs are presented in accordance with the structure, scope, and presentation format required under Delegated Regulation (EU) 2023/2772. No deviations, omissions, or substitutions have been applied, and all disclosures are traceable to their corresponding legal reference and data source.

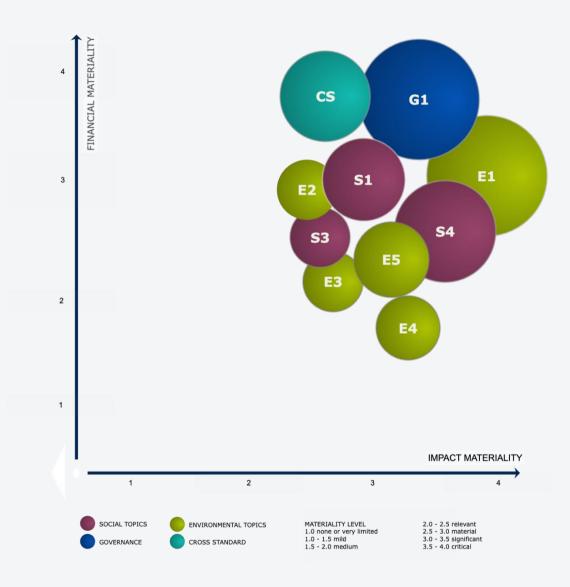
#### LIST OF SUSTAINABILITY MATTERS ASSESSED TO BE MATERIAL

(ESRS 2 | BP-2 17 a)

Topics ESRS E1 (Climate Change), ESRS E2 (Pollution), ESRS E3 (Water and Marine Resources), ESRS E4 (Biodiversity and Ecosystems), ESRS E5 (Resource Use and Circular Economy), ESRS S1 (Own Workforce), ESRS S3 (Affected Communities), ESRS S4 (Consumers and End-users), and ESRS G1 (Business Conduct) have been assessed to be material.

In addition, biosafety has been assessed as a material impact under ESRS E1, E4, and S3 due to its relevance to public health, zoonotic risk, and ecosystem integrity. Sectoral leadership is assessed as a material sustainability matter due to the Group's structural influence on farming, food, and input systems, affecting upstream and downstream practices, supplier compliance, product design, and public standards. These impacts span ESRS 2 (Strategy and Governance), ESRS E1, E4, S3, and G1.

All other topical standards, in particular ESRS S2 (Workers in the Value Chain), have been assessed and determined not to be material.



Double materiality matrix, AB Akola Group, 2024/2025

#### DOUBLE MATERIALITY MATRIX

This is the consolidated Group-level double materiality matrix. The horizontal axis represents Impact Materiality and the vertical axis represents Financial Materiality. Both axes are scored on a scale from 1.0 to 4.0.

Each circle in the matrix represents one ESRS topic. Its position reflects the impact materiality and financial materiality scores. The diameter shows how many individual impacts, risks, and opportunities are included in the topic and how widely the topic is present across business segments.

Double materiality thresholds are defined as follows:

- A topic is material if at least one axis scores 2.5 or higher.
- A topic is also considered material when impact materiality is greater than 1.5 and financial materiality is greater than 2.0, or when impact materiality is greater than 2.0 and financial materiality is greater than 1.5.

The methodology used for scoring and classification of topics in this matrix, including how impacts, risks, and opportunities were identified, assessed, and consolidated, is **described in Section ESRS 2 | IRO-1 53 a-g** of this report. That section sets out the criteria, Figure scoring scales, data sources, stakeholder input, and thresholds applied to derive the final positioning of topics in the matrix.

## HOW BUSINESS MODEL AND STRATEGY TAKE ACCOUNT OF IMPACTS RELATED TO SUSTAINABILITY MATTERS ASSESSED TO BE MATERIAL (PHASE-IN)

(ESRS 2 | BP-2 17 a)

Sustainability matters assessed to be material are reflected in how the Group plans, operates, invests, and interacts across all core business segments — including agriculture, input production and sales, feed and food processing, packaging, and logistics. These matters are not managed separately but embedded in operational planning, procurement criteria, compliance requirements, and client-facing performance.

#### E1 - Climate change

Scope 1 emissions result from fuel combustion, livestock digestion, manure management, and soil emissions. These drive decisions related to housing systems, slurry and manure handling, feed design, and precision farming. Tillage has been almost eliminated. Emissions from nitrogen fertilisers are managed through application control and nutrient timing. Scope 2 emissions are managed through the procurement of certified green electricity. Internal production from solar is growing but not yet material. While required for disclosure and increasingly relevant for export-facing reporting, Scope 3 has not yet shaped business model structure or strategy. Scenario-based climate risk modelling has been introduced but is not yet fully integrated into investment filters or continuity planning. Strategic risks include infrastructure stress, refrigerant regulation, and regulatory costs. Identified opportunities relate to improved energy use per unit, demand for certified low-emission products, and advisory offerings to input users.

#### E2 - Pollution

Pollution thresholds directly affect wastewater and boiler system design, manure drying investment, permit retention, and layout decisions. Sites with IPPC (Integrated Pollution Prevention and Control) permits follow formalised ammonia, nutrient, and effluent control conditions, which shape timing, storage, and discharge planning. Regulatory violations carry legal and reputational risk and influence sequencing of site upgrades.

#### E3 - Water and marine resources

Water dependency affects design, risk exposure, and cost structure across poultry, dairy, food and feed processing. The Group operates over 50 internal wells, covering most consumption. Cleaning, cooling, and sanitation drive demand. Water reuse is limited to non-contact operations (e.g. autoclaves, vegetable rinse, prewash systems). Investments are made in leak control, pressure monitoring, well upgrades, and treatment equipment. Discharge into local water bodies is regulated, monitored, and factored into site planning.

#### E4 - Biodiversity and ecosystems

Biodiversity constraints are reflected in field-level fertiliser and PPP (Plant Protection Products) restrictions, CAP-linked land management, and site selection. Our locations (more than 4,000 plots) are mapped for Natura 2000 exposure including arable land and all production sites in Lithuania and Latvia. Input application,

rotation choices, and land-use planning are adjusted accordingly. Precision farming practices and advisory services are shaped by biodiversity proximity and regulation. Internal procedures link biodiversity-sensitive areas with product handling and input placement.

#### E5 - Resource use and circular economy

Segment operations are structured to enable circular use of manure, harvest, and fertilisers through the Group's own nutrition loop. Packaging formats are selected based on technical suitability, return potential, and regulatory requirements. Bulk formats are standard in feed and grain. Packaging is selected for transport durability, food contact compliance, and recyclability where required. Waste data is tracked through national waste and packaging registry systems, and investment in waste segregation and reuse is shaped by permit and audit obligations. Circularity affects operational layout, procurement, and logistics format.

#### S1 - Own workforce

Occupational safety, workforce availability, and labour structure shape site-level operations and capacity allocation. Total Group headcount is 5,374, however due to indicated different sustainability reporting scope (noted under ESRS 2 | BP-1 5 a-b), head count used for further disclosures and calculations is 5,314 (not including subsidiaries - Nordic Agro Investment Limited (UK) and OOO "KLM" (BY)). Health and safety performance (TRIR), rental workforce integration, and SMETA compliance influence site governance and automation planning. Retention, training hours, and gender representation are factored into performance management and HR capacity planning. Safety and inclusion influence layout, job design, and investment timing.

#### S3 - Affected communities

Community impact constraints are reflected in spatial planning, transport routing, zoning compliance, and site expansion strategies. Odour, dust, traffic, and water use influence stakeholder dialogue and corrective actions. Grievance channels inform operational changes and public engagement requirements. Delays in permitting or infrastructure approval are treated as tangible project risks.

#### S4 - Consumers and end-users

Product safety, traceability, and labelling requirements directly shape feed formulation, animal treatment, slaughter cycles, shelf life, and packaging materials. All core products follow FSSC 22000, GMP+, and similar certifications. Traceability from farm to fork is operational. Antibiotic-free production is fully implemented in Latvia and near-complete in Lithuania. Recalls, audit failures, and non-compliance with buyer protocols are treated as critical operational risks. Client requirements shape production inputs and product structuring.

#### G1 - Business conduct

Procurement, supplier onboarding, traceability demands, and segment access are shaped by ethics codes, audit protocols, and buyer expectations. Contracts contain mandatory sustainability clauses. Whistleblower protections are standardised. Sector influence is expressed through advisory content, traceability enforcement, and sustainability-linked input sales.

#### **Cross-cutting integration**

All matters are embedded into operational procedures, CAPEX screening, audit response systems, segment-specific product design, and supplier protocols. There is no separation between sustainability topics and how business is planned and executed.

TIME-BOUND TARGETS SET RELATED TO SUSTAINABILITY MATTERS ASSESSED TO BE MATERIAL (PHASE-IN) AND PROGRESS MADE TOWARDS ACHIEVING THOSE TARGETS

(ESRS 2 | BP-2 17 b)

Time-bound targets and progress are **disclosed in Section ESRS 2** | **SBM-3 41 b**; **BP-2 17 b** (Sustainability-related goals and time-bound targets). This section sets out the Group's sustainability goals by product and service categories, customer groups, geographies, and stakeholder relations, together with measurable, time-bound targets and progress made towards achieving them.

POLICIES RELATED TO SUSTAINABILITY MATTERS ASSESSED TO BE MATERIAL (PHASE-IN) (ESRS 2 | BP-2 17 c)

Policies governing material sustainability matters are disclosed under the respective topical standards. These include the Group's Code of Ethics, Supplier Code of Conduct, internal policies on environmental protection, occupational safety, equal treatment, grievance procedures, and food safety, as well as segment-specific technical protocols and permit-based operating rules. No additional Group-level sustainability policy framework is applied.

ACTIONS TAKEN TO IDENTIFY, MONITOR, PREVENT, MITIGATE, REMEDIATE OR BRING END TO ACTUAL OR POTENTIAL ADVERSE IMPACTS RELATED TO SUSTAINABILITY MATTERS ASSESSED TO BE MATERIAL (PHASE-IN), AND RESULT OF SUCH ACTIONS (ESRS 2 | BP-2 17 d)

Actions related to actual and potential adverse impacts are **detailed in the topical standards**. These include certified food safety systems, IPPC permit compliance, Natura 2000 screening, biosafety protocols, circular nutrient use, occupational safety controls, traceability systems, packaging recovery schemes, and grievance mechanisms. Segment-specific procedures, monitoring, and internal audit systems are implemented where required. Remedial and corrective actions are applied through formal channels and integrated into infrastructure, sourcing, and process improvements. Results of actions taken are disclosed under ESRS E1–E5, S1, S3, S4, and G1.

#### **METRICS**

(ESRS 2 | BP-2 17 e)

#### **E1 - CLIMATE CHANGE**

#### **GHG Emissions**

- Total Scope 1 GHG emissions (tCO<sub>2</sub>e)
- Scope 1 emissions by source:
  - Fuel combustion: diesel, natural gas, LPG, biomass
  - Enteric fermentation (CH<sub>4</sub>) cattle and poultry
  - Manure management ( $CH_4 + N_2O$ ) cattle and poultry
  - Soil emissions (N<sub>2</sub>O) from synthetic fertilisers, organic amendments, residues
  - Refrigerant leakage (HFCs) by gas, by tCO₂e
  - Biogenic CO<sub>2</sub> emissions (separately tracked)
- Total Scope 2 GHG emissions (location-based) (tCO<sub>2</sub>e)
- Total Scope 2 GHG emissions (market-based) (tCO<sub>2</sub>e)
- % of electricity from certified renewable sources
- Scope 3 GHG emissions by category (tCO<sub>2</sub>e):
  - Category 1 Purchased goods and services
  - Category 3 Fuel- and energy-related activities
  - Category 4 Upstream transport and distribution
  - Category 5 Waste generated in operations
  - Category 6 Business travel
  - Category 7 Employee commuting
  - Category 9 Downstream transport and distribution
  - Category 10 Processing of sold products
  - Category 11 Use of sold products
  - Category 12 End-of-life treatment of sold products
  - Category 15 Investments
- Total GHG emissions (Scopes 1+2+3) (tCO<sub>2</sub>e)
- GHG intensity (tCO<sub>2</sub>e/EUR EBITDA)

#### **Energy**

- Total energy consumption (GWh)
- Fossil energy consumption (GWh)
- Renewable energy consumption (GWh)
- Share of renewable electricity in total electricity (%)
- Electricity produced on-site (kWh)
- Energy intensity (MWh/EUR1,000 revenue)
- Fuel consumption by type (diesel, petrol, LPG, natural gas, biomethane, biomass)

#### Refrigerants

- Volume of HFCs topped up (kg)
- Emissions from refrigerant leakage (tCO<sub>2</sub>e)
- Number of ammonia-based systems installed

#### **Land & Operations**

- Area under no-tillage (ha and %)
- Hectares receiving manure-based fertilisation

#### Scenario & Risk Analysis

- Number of sites assessed under climate scenarios
- Scenarios applied: SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5
- Time horizons: short (1 yr), medium (2-5 yrs), long (>5 yrs)
- · Number of assets with high climate risk score
- Total number of climate risks scored
- Highest composite risk score (1–125)

#### Investment

- CAPEX linked to climate mitigation or adaptation (% or EUR, if disclosed)
- Energy-related CAPEX: ventilation, insulation, refrigerant conversion (if quantified)

#### **E2 - POLLUTION:**

Emissions volumes by types; compliance with IPPC emission thresholds; number of permit exceedances; packaging-related pollution reduction measures.

#### E3 - WATER AND MARINE RESOURCES:

Total water abstraction (m³) by source; % from internal wells; discharge volumes by type; number of operating wells; treatment stages applied; investment in leak detection and pressure monitoring; water reuse volumes (non-contact only).

#### E4 - BIODIVERSITY AND ECOSYSTEMS:

Total hectares within Natura 2000 buffer zones; number of screened land plots; % of land under GAEC (Good Agricultural and Environmental Conditions) buffer rules; hectares with biodiversity-sensitive input restrictions; compliance with fertiliser and PPP placement rules.

#### E5 - RESOURCE USE AND CIRCULAR ECONOMY:

Total packaging weight placed on the market (by type); % recyclable packaging (by weight); % packaging from recycled inputs; volumes of feed and food by-products valorised; % waste diverted from landfill; investment in recycling and circular initiatives.

#### S1 - OWN WORKFORCE:

TRIR (total recordable incident rate); number of work-related injuries; % of rented workforce covered by safety training; audit status; workforce turnover (%); share of employees with disabilities; average training hours; gender ratio; workers covered by collective agreements.

#### S3 - AFFECTED COMMUNITIES:

Number of formal grievances received and resolved; number of sites with zoning buffers applied; sites subject to public engagement procedures; environmental enforcement actions by site.

#### S4 - CONSUMERS AND END-USERS:

Number of product safety recalls; % of poultry production antibiotic-free (by country); number of customer complaints resolved; certification coverage (FSSC 22000, GMP+, BRCGS); traceability coverage by product line; food safety testing results (e.g. Salmonella, residues).

#### **G1 - BUSINESS CONDUCT:**

Number of SMETA audits completed; number of suppliers covered by Partner Code of Ethics; ethics clause coverage in contracts (%); whistleblower cases reported and resolved; confirmed non-compliance incidents with business conduct policies.

Metrics are updated regularly as part of ongoing internal reporting and audit systems. Quantified data is disclosed under the topical standards where applicable.

#### MANAGEMENT STRUCTURE OF AB AKOLA GROUP

(ESRS 2 | GOV-1 contextual disclosure)

AB Akola Group is governed through the General Meeting of Shareholders, the Supervisory Board, and the Board. The Head of the Company is elected by the General Meeting and also serves as Chairman of the Board.

#### **GOVERNANCE BODIES**

(ESRS 2 | GOV-1 21 a-e)

As of 30 June 2025, the bodies of the Company are the General Meeting of Shareholders, the Supervisory Board, the Board of the Company, and the Head of the Company (Chief Executive Officer). The Company has an Audit Committee.

- Board: 5 executive members
- Supervisory Board: 3 non-executive members
- Audit Committee: 3 non-executive members

All Board members perform executive functions, while the Supervisory Board and Audit Committee is composed solely of non-executive members. There is no overlap of roles (for visualised Corporate Governance Model - please refer to Consolidated Annual Management Report, section 18. Governance).

Employees and other workers are not formally represented in Group-level governance bodies. No designated employee representatives sit on the Board or Supervisory Board. Subsidiary-level representation structures are excluded.

The Board and Supervisory Board collectively possess relevant experience in agricultural production and crop inputs, food and feed processing, regional markets in the Baltics and Central Europe, international trade and export regulation, corporate finance, audit, legal compliance, and supply chain integration and logistics (for more detailed competency map of the Board - please refer to Consolidated Annual Management Report, section 18.3 Governance / Board members).

At 30 June 2025, diversity across the three bodies is as follows:

- Female members: 9%
- Members aged below 40: 18%
- Members with non-Lithuanian nationality: 9%

No diversity quotas or targets are in place. Gender diversity ratios are:

- Board: 0% female. 100% male
- Supervisory Board: 0% female, 100% male
- Audit Committee: 33% female, 67% male

As of 30 June 2025, 100% of Audit Committee members and 67% of Supervisory Board members are classified as independent. No Board members are independent. Independence is assessed under legal definitions and audit requirements only.

#### SUSTAINABILITY GOVERNANCE RESPONSIBILITIES

(ESRS 2 | GOV-1 22 a-d)

At Group level, the Board holds responsibility for sustainability-related impacts, risks, and opportunities. No Supervisory Board function or dedicated committee is assigned to sustainability oversight.

Responsibilities are defined through the formal mandate of the Board. No additional Group-level policies or board committees are in place.

The Board coordinates sustainability governance. Subsidiary-level sustainability managers address impacts and risks, while the Group Treasury and Sustainability unit under Finance and Risk Management Department consolidates data and prepares Group-level reporting.

No sustainability oversight is delegated to separate committees or units; the Board retains full responsibility for disclosures. Subsidiary data is reported to the Group Treasury and Sustainability unit, which submits consolidated results to the Board.

Sustainability processes are integrated into existing treasury, finance, and reporting workflows. Targets are set and monitored by subsidiaries, with Group-level results reviewed by the Board. The Supervisory Board has no direct role in target monitoring.

#### SUSTAINABILITY SKILLS AND EXPERTISE IN GOVERNANCE BODIES

(ESRS 2 | GOV-1 23 a-b, AR 5)

The Board is responsible for ensuring appropriate sustainability-related expertise at Group level. No formal procedure exists for assessing such skills within governance bodies. Expertise is developed operationally through the Group Treasury and Sustainability unit and sustainability managers in key subsidiaries.

Sustainability expertise is embedded at company level and coordinated through the Group Treasury and Sustainability unit. Governance bodies do not directly possess technical knowledge in climate modelling, environmental risk, or social compliance; instead, they rely on internal specialists and third party consultants in GHG accounting, soil and climate risk modelling, regulatory compliance, and food safety.

This expertise supports the assessment of material impacts, risks, and opportunities across farming, feed, food, and input supply chains. It ensures compliance with environmental permits, EU regulatory requirements, and food safety standards. Group-level disclosures are based on consolidated outputs from these technical functions.

#### **GOVERNANCE BODY UPDATES ON SUSTAINABILITY MATTERS**

(ESRS 2 | GOV-2 26 a-c)

Members of the Board are directly responsible for business segments and take part in company-level decision-making. They are informed on relevant impacts, risks, and opportunities by local sustainability managers and business managers.

All sustainability data is centrally tracked and assessed by the Group Treasury and Sustainability unit under Finance and Risk Management Department. Consolidated reports on risk exposure, and progress toward sustainability targets are regularly submitted to the Board at least once per financial year, also on demand depending on the agenda of the Board meeting.

In strategic oversight, sustainability-related impacts, risks, and opportunities are considered in relation to:

- Regulatory compliance risks, including exposure to environmental permits, emissions thresholds, and product safety rules that affect operational continuity or legal compliance
- Licence to operate, particularly in segments subject to public scrutiny, stakeholder expectations, or Natura 2000 and IPPC constraints
- Supply chain reliability, including risks from fertiliser regulation, packaging requirements, input traceability, and upstream environmental performance
- Access to export markets, where sustainability criteria (e.g. antibiotic-free production, emissions disclosure, food safety) are linked to buyer protocols and certification
- Reputational and enforcement risks that may delay or block investment, permitting, or sales due to sustainability-related non-compliance

These factors are taken into account in decisions on product portfolios, investment timing, and operational design.

All material impacts, risks, and opportunities identified in the double materiality assessment are reviewed and approved by the Board. As Board members also hold executive responsibility for business segments, material IROs are addressed through operational planning, investment, and compliance decisions. These include:

- · Regulatory risks related to permits, emissions, fertiliser use, and packaging
- · Climate-related physical and transition risks across agricultural, food, and logistics operations
- · Market risks linked to buyer requirements, certification, and export eligibility
- Operational risks tied to energy use, refrigerants, and food safety compliance
- · Social and community risks related to zoning, nuisance, grievance handling, and employee conditions

#### **INCENTIVE SCHEMES AND REMUNERATION POLICIES**

(ESRS 2 | GOV-3 29 a-e, AR 7)

Board incentives are performance-based, assessed on business results, operational targets, and strategic execution. No dedicated sustainability incentive policy exists.

Sustainability elements may influence evaluations indirectly through business or risk outcomes, but no specific sustainability KPIs are applied. Sustainability metrics are not standalone benchmarks and are not embedded in remuneration policies.

0% of variable remuneration formally depends on sustainability targets.

#### MAPPING OF DUE DILIGENCE DISCLOSURES IN SUSTAINABILITY STATEMENT

(ESRS 2 | GOV-4 30; 32 | AR 8 - AR 10)

The Group's due diligence process is addressed in the following disclosures:

- ESRS 2 | GOV-2 26 a to 26 c Governance involvement in identifying and addressing material impacts, risks, and opportunities
- ESRS 2 | IRO-1 46 and IRO-2 48 Description of due diligence procedures and impact identification methods
- ESRS 2 | BP-2 17 d Actions taken to prevent, mitigate or remediate adverse impacts
- Topical standards (E1 to E5, S1 to S4, G1) Topic-specific due diligence results and monitoring actions

This mapping ensures that information related to due diligence is traceable across the sustainability statement in line with ESRS 2 GOV-4.

#### RISK MANAGEMENT AND INTERNAL CONTROL IN RELATION TO SUSTAINABILITY REPORTING

(ESRS 2 | GOV-5 36 a-e)

The Group applies an integrated risk and internal control framework across operations, compliance, and reporting. Sustainability risks are embedded in this framework and are managed alongside other material risks, as they directly determine the Group's capacity to achieve sustainability targets, maintain regulatory compliance, and ensure reliable reporting.

Sustainability risks are identified through two systems: company-level operational assessments (based on legal obligations, permit conditions, audits, market developments, and stakeholder concerns) and structured double materiality assessments using scoring thresholds for impact and financial materiality. Segment-level results are consolidated and validated through management review, forming the basis for ESRS reporting and business planning.

Risk assessment findings are integrated into infrastructure planning, investment, permit management, traceability, personnel allocation, and reporting. Double materiality results guide disclosure governance, reporting boundaries, and audit planning, and inform guality assurance and escalation protocols.

Findings from risk assessments and controls are communicated through regular management and reporting channels. Board members receive updates through operational and compliance reports. Material risks affecting reporting accuracy or business continuity are escalated to the Board. No separate governance structure is created; sustainability risks are managed as part of the overall integrated risk management framework.

For more detailed risk management and internal control description – please refer to Consolidated Annual Management Report, section 11. Risk management framework and significant risks).

#### DESCRIPTION OF SIGNIFICANT MARKETS AND CUSTOMER GROUPS SERVED

(ESRS 2 | SBM-1 40 a ii)

The Group operates in Lithuania, Latvia, and Estonia as its home markets and exports to more than 30 countries across Europe, the UK, and selected third-country destinations.

- Food production is distributed through retail and wholesale, HoReCa channels as well as our own shops in Latvia. Consumers purchase products under proprietary and private label brands in national and international retail chains. Private label contracts are also fulfilled for major food manufacturers.
- Partners for farmers serves farmers in the Baltic States through direct sales, input distribution networks, and technical advisory relationships. Customers include local crop and livestock farmers, and mixed-production farms procuring feed, seeds, fertilisers, plant protection products, and agromachinery.
- Grain trade operations involve long-term and spot contracting with domestic producers. Traded volumes are sold to businesses locally and into international commodity markets under standard commercial terms.
- Other products and services are provided to serve food production and storage operators through fumigation and disinfection services. Customers include grain elevator operators, processing companies, and logistics providers in agriculture and food supply chains. Pet food is mainly distributed via retail.

All customer groups are served through formal commercial relationships. Final consumers and end-users are disclosed under ESRS S4.

#### TOTAL NUMBER OF EMPLOYEES (HEAD COUNT)

(ESRS 2 | SBM-1 40 a iii)

As of 30 June 2025, AB Akola Group employed 5,314 individuals. This figure excludes non-consolidated entities.

#### NUMBER OF EMPLOYEES (HEAD COUNT) BROKEN DOWN BY COUNTRY

(ESRS 2 | SBM-1 40 a iii)

Lithuania: 4,063Latvia: 1,189Estonia: 58Other countries: 4

Figures reflect active employment contracts as of the last day of the reporting period.

#### DESCRIPTION OF PRODUCTS AND SERVICES THAT ARE BANNED IN CERTAIN MARKETS

(ESRS 2 | SBM-1 40 a iv)

As of the reporting date, no Group products or services are subject to formal bans in any of the jurisdictions where they are marketed. Where required, adjustments are made to comply with ingredient, labelling, or certification requirements under national or EU law.

#### **TOTAL REVENUE**

(ESRS 2 | SBM-1 40 b)

Total consolidated revenue for the 2024/2025 reporting period: EUR 1,595,509 thousand (of which – EUR 1,580,699 thousand is revenue from contracts with customers, EUR 8 365 thousand – other income, EUR 6,445 thousand – income from financing activities).

#### INVOLVEMENT IN EXCLUDED OR SENSITIVE SECTORS

(ESRS 2 | SBM-1 40 d i-iv)

The Group has no activities in the extraction, refining, distribution, or commercial use of coal, oil, or fossil gas. Revenue from fossil fuel activities is 0 EUR, including:

Revenue from coal: 0 EURRevenue from oil: 0 EURRevenue from gas: 0 EUR

- Revenue from Taxonomy-aligned fossil gas activities: 0 EUR

The Group is not active in the production of industrial or specialty chemicals as defined under SFDR or ESRS guidance. While the Group trades in plant protection products and fertilisers, it does not manufacture them. Revenue from chemicals production is 0 EUR.

The Group is not involved in the development, manufacture, sale, or distribution of controversial weapons. Revenue from controversial weapons is 0 EUR.

The Group is not active in the cultivation, processing, or commercial production of tobacco products. Revenue from tobacco-related activities is 0 EUR.

## SUSTAINABILITY-RELATED GOALS IN TERMS OF SIGNIFICANT GROUPS OF PRODUCTS AND SERVICES, CUSTOMER CATEGORIES, GEOGRAPHICAL AREAS AND RELATIONSHIPS WITH STAKEHOLDERS

(ESRS 2 | SBM-1 40 e)

In previous periods, the Group set ambitious environmental targets, but a strategic decision has since been made to step down from some of them. Actions contributing to climate change mitigation continue to be implemented operationally, but they are not governed by a structured Group-wide target-setting framework. Instead, performance is tracked at segment level using activity-based metrics such as green electricity share, tillage elimination coverage, and refrigerant replacement rate.

Due to technological constraints tied to business specifics — particularly in poultry production — full renewable energy substitution is not feasible. This limits the Group's ability to achieve material Scope 1 emission reductions, leaving only partial substitution as a realistic pathway.

#### Scope 1 and 2 emissions - description of strategic target

The Group's strategic goal to reduce Scope 1 and 2 GHG emissions by approximately  $25,000-30,000 \text{ tCO}_2\text{e}$  is based solely on the projected future use of internally produced biomethane to replace fossil fuel consumption in core operations (as of the date of publication of this report, the investment projects in Group's poultry activity are still in consideration stage; if implemented – starting with the sixth year of operation biogas would be directed for internal consumption). At present, no other viable or scalable abatement options exist within the Group's operational system boundaries.

Fossil fuel combustion remains the dominant source of Scope 1 emissions, arising from heating, drying, ventilation, and internal transport across poultry, feed, grain, and dairy operations. Enteric fermentation and manure management contribute materially to emissions in both the poultry and dairy segments but cannot be eliminated without removing animal production entirely. These biological emissions are inherent to livestock systems and are not considered technically reducible within the Group's current business model. Soil-related emissions are already mitigated through reduced tillage and precision fertiliser management, with no remaining reduction potential under current agronomic practices. Scope 2 emissions have been addressed through the close to full transition to renewable electricity sourcing, and further reduction is not feasible under the current supply structure.

As a result, biomethane is the only credible path to material GHG reduction. The Group is developing plans for biogas production capacity in Group's poultry activity, but during the initial phase, the generated gas is expected to be sold into the national grid to ensure financial viability. Based on economic modelling and infrastructure timelines in the sixth year of plant operation internal use of biomethane still will not be as cost effective as the use of natural gas. However by committing to cease biogas sales prior to the full investment pay-back period, the Group is voluntarily accepting a transitional trade-off that balances environmental impact reduction with economic feasibility. If realised, this would allow for partial substitution of fossil fuel use and result in an estimated Scope 1 emissions reduction of 25,000–30,000 tCO<sub>2</sub>e annually.

This outcome is not guaranteed and remains conditional on investment execution, energy pricing, and system integration. The Group's current strategy does not involve production cuts, livestock reduction, or business model restructuring. Accordingly, this target is disclosed as strategic and scenario-bound, with implementation subject to external and long-term factors.

#### Social commitments

The Group's strategic social commitments focus on ensuring workplace safety, supporting employee retention, and promoting responsible production practices. A target has been set to reduce the Group-wide Total Recordable Incident Rate (TRIR) by 20%, with a goal of remaining below 0.6. Employee turnover is monitored across all companies, with a commitment to maintain full-time turnover below or at 35%. In parallel, antibiotic use in dairy is being reduced through herd management and veterinary oversight, while poultry operations aim to maintain 100% antibiotic-free production in Latvia and continue improving the share in Lithuania. These commitments reflect internal governance priorities, regulatory compliance expectations, and the requirements of key customers in domestic and export markets.

Commitment	Measure	Unit	Base year 2021/2022	2022/2023	2023/2024	2024/2025	Goal by 2029/2030
Environm ental	Scope 1+2* CO <sub>2</sub> emissions	tCO₂e	134,100	135,850	138,200	148,197	Goal deadline is not clear due to uncertainty of investment initiation and start date of biogas plants. In 6th year of operation emissions might be reduced by roughly $25,000-30,000\ tCO_2e$
Social	Occupational health and safety	TRIR	0.78	0.85	0.77	0.85	< 0.6 (20% reduction)
Social	Employee turnover (full-time)	%	35	26	27	29	≤ 35%
Social	Antibiotic use – dairy cattle	mg/kg PCU	n/a	17.6	17.1	At the date of publication – ratio is still under review	Reduce by 25% vs base year (2022/2023 due to unavailable data in 2021/2022)
Social	Antibiotic-free poultry production share (LV/LT)	%	100/65	100/75	100/80	98/85	Maintain 100% in LV, increase in LT
Governance	Number of breaches	number	0	1	17	8	0

<sup>\*</sup>Scope2 - market based

In addition to the strategic Group-level KPIs, operational sustainability-related goals are defined at the level of individual companies and vary across business segments. While these targets are not publicly disclosed and do not constitute formal Group commitments, they guide operational decision-making and reflect ongoing efforts to align day-to-day activities with sustainability-related performance and compliance expectations. As of the reporting date, target timelines are not synchronised across entities, and the scope, maturity, and format of operational goals differ by segment and function. However, they collectively contribute to the Group's sustainability integration and performance monitoring at company level.

#### **Farming segment**

Operational targets in this segment prioritise productivity, with a specific focus on improving milk yield and field output through targeted investment. Yield gains are pursued by modernising livestock infrastructure, introducing automated feeding and milking systems, and improving forage quality and conversion. Soil-related targets support production outcomes through the use of rotation planning, precision fertilisation, and field mapping. Additional actions focus on reducing input use, including fuel and water during spraying operations, and improving on-site handling of packaging and production waste. Storage and product quality are addressed through infrastructure upgrades. Internal targets also reflect employee competence development and engagement with surrounding communities.

#### **Food production segment**

Operational targets in this segment focus on packaging performance, production quality, and environmental management. Companies track the share of packaging made from recyclable or renewable materials, with internal targets set to reduce packaging volume per unit produced. Quality-related objectives include the prevention of product withdrawals, reduction of customer claims, and compliance with certification standards such as BRC, GS and IFS. Entities also monitor air, water, noise, and odour emissions, with investments directed toward process upgrades, remote monitoring, and leak prevention. Operational goals target waste reduction and improved sorting ratios, including quantified reductions in household and production waste. Additional measures include controlled use of hazardous substances, water intensity limits, and energy efficiency actions aligned with ISO 50001. Consumer satisfaction is tracked via claim ratios, and some entities maintain packaging-specific benchmarks as part of performance evaluations.

#### **Partners for farmers**

Operational targets in this segment focus on input quality, packaging management, energy use, and customer-facing service delivery. Entities track the quality of seeds through routine laboratory testing and aim to maintain customer satisfaction benchmarks above sector averages. Independent customer satisfaction surveys are being introduced to monitor service quality and drive corrective action. Internal targets also include expanded use of modernised client feedback tools and quarterly engagement processes.

#### SUSTAINABILITY GOALS, THEIR APPLICATION, AND STRATEGIC ELEMENTS.

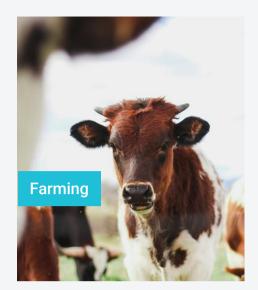
(ESRS 2 | SBM-1 40 f-g)

The Group's sustainability goals are embedded in significant product and service categories and linked to the expectations of key customer groups and markets. In poultry and dairy, antibiotic reduction commitments respond to antibiotic-restricted retail and export markets, while in farming, workforce safety and retention apply across all consolidated companies. The zero-breach commitment underpins relationships with retailers, private label clients, and farmers.

The strategy remains oriented toward growth and value creation while ensuring compliance with environmental, labour, and governance requirements. This orientation increases exposure to climate change, food safety, labour conditions, and other sustainability matters. The potential to reduce GHG emissions is constrained by technological and systemic boundaries, with biomethane identified as the primary mitigation pathway. Workforce health, safety, and retention are strategic priorities that safeguard long-term business performance and resilience.









**About the Group** 

#### **BUSINESS MODEL AND VALUE CHAIN**

(ESRS 2 | SBM-1 42)

AB Akola Group is an investment company operating a vertically integrated agricultural and food production group across Lithuania, Latvia, Estonia, Poland, and Ukraine. The Group controls the full value chain from field to fork, with strategic emphasis on unlocking the potential of agriculture and food industry through vertical integration, long-term infrastructure ownership, and close commercial partnerships. All activities are carried out by Group-controlled companies under unified operational, legal, and sustainability reporting structures.

The Group's operations are managed and reported under four consolidated segments: Partners for farmers, Farming, Food production, and Other products and services. Segment-level data is collected and consolidated for financial and sustainability disclosures, with clearly defined operational scopes, management accountability, and traceable commercial flows. Each segment contributes to Group value creation through integrated sourcing, production, and distribution functions aligned with market demand, local sourcing logic, and regulatory compliance.

#### **Partners for farmers**

The Partners for Farmers segment includes agro input trade, commodity trade, grain storage and elevators, seed production, feed production, agromachinery trade and service, and advisory services.

Agro inputs such as fertilisers, plant protection products, feed, and certified seeds are sourced internationally and locally and sold to farmers and Group farming companies in Lithuania, Latvia, and Estonia. Inputs are distributed through Group-operated retail infrastructure and supported by a dedicated network of agronomists who provide technical consultation to farmers on product suitability, application, and timing.

The Group operates two seed factories, in Lithuania and Latvia, which produce certified cereal and legume seeds distributed through the Group's input trade structure to local farmers.

Grain is sourced from the local market, including from farmers and Group companies, and traded in international commodity markets. Grain storage and elevator operations are performed by Group companies in Lithuania and Latvia and serve as primary harvest collection points.

Compound feed is manufactured by AB Kauno Grūdai using locally sourced grain and imported soya cake. Feed is sold to external livestock farmers and supplied to the Group's poultry operations.

The agromachinery business represents global manufacturers and provides new and retrofitted equipment, seasonal machinery rental, and spare parts. Machinery-related technical support is provided through local service teams.

#### **Food production**

The Food production segment includes the full poultry production cycle in Lithuania and Latvia: parental flocks, incubation, broiler farming, slaughter, and meat processing.

In Lithuania, feed is supplied by AB Kauno Grūdai. In Latvia, poultry companies operate their own feed production facilities and source raw grain, soya cake, and other ingredients directly.

Final poultry products are sold under proprietary brands, private label agreements, and contract manufacturing arrangements with retail and HoReCa clients. Small branded retail shops operate in Latvia but account for an immaterial share of total volume.

The segment also includes the production of eco-certified soups, preserved vegetables, and other ready-to-eat meals made from certified ingredients sourced locally and distributed under the Activus brand.

AB Kauno Grūdai manufactures flour and flour mixes and produces value-added products including instant noodles, instant porridges, and coating systems. Functional food products such as protein bars are produced by certified local manufacturing partners under Group supervision. Grain is sourced locally. Vegetable oils, including palm oil (currently being phased out), are sourced internationally. Packaging is supplied by local manufacturers.

Grain based food products are sold under proprietary brands including Sun Yan, Activus, and City Chef, and through private label and industrial manufacturing contracts.

#### **Farming**

The Farming segment includes seven Group-controlled companies in Lithuania engaged in grain cultivation and mixed dairy and grain farming.

Inputs such as seed, feed, fertilisers, plant protection products, and machinery are procured from the Partners for Farmers segment or other suppliers. Agricultural land is both owned by the Group and rented from local communities.

Crops include cereals, oilseeds, legumes, and forage. Harvests are supplied to the Group's grain trade and feed production businesses. Raw milk and beef are sold to local processing companies outside the Group. Manure is applied to Group-managed land as organic fertiliser. Farming activities support circular nutrient flows and secure a portion of feedstock needs across segments.

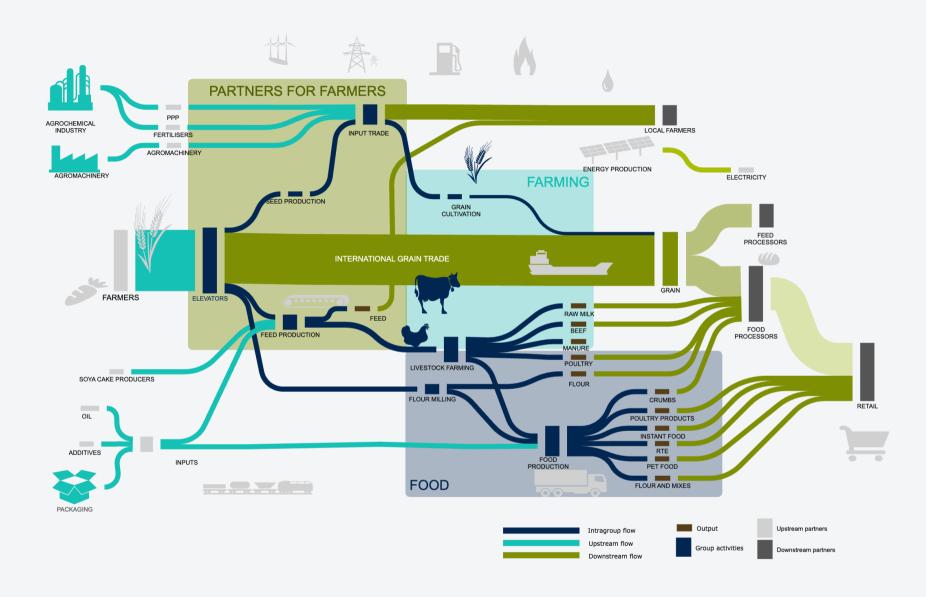
#### Other products and services

The Other products and services segment includes pet food production and the provision of fumigation, disinfection, and hygiene services for grain storage and food sector clients.

Pet food is produced in Lithuania and includes both economy and premium product lines. Hygiene and pest control services are carried out under license and contribute to food safety, loss prevention, and hygiene compliance across Group and third-party facilities. Additional activities include trade in veterinary and hygiene products.

#### **Value Chain Integration**

The Group's value chain is vertically integrated, regionally embedded, and traceable. Inputs are sourced globally and mainly sold in local markets. Crops and grain are produced by Group companies and third-party farmers and delivered to Group-operated elevators. Grain is either sold to local producers, exported or directed to internal feed production. Feed is supplied to poultry operations and sold externally. Food products are manufactured using certified raw materials and distributed through mass retail, export, and contract manufacturing partnerships. All operational activities fall within the Group's consolidated financial and sustainability reporting perimeter. Segment-level sourcing, flows, and customer structures are disclosed in SBM-1 40. Related risks and strategic targets are disclosed in SBM-3.



Business model, AB Akola Group, 2024/2025

#### DESCRIPTION OF INPUTS AND APPROACH TO GATHERING, DEVELOPING AND SECURING INPUTS

(ESRS 2 | SBM-1 42 a)

Input sourcing across the Group is differentiated by regulatory class, production use, and supplier relationship. Procurement is structured around harvest availability, Group infrastructure, and legally defined standards under EU regulations.

In the Partners for Farmers segment, agro inputs such as fertilisers and plant protection products are sourced internationally from certified manufacturers. Fertiliser products conform to the Fertilising Products Regulation (FPR) and are CE-marked, enabling cross-border trade within the EU. Suppliers must comply with contaminant limits, agronomic performance standards, and product-specific conformity assessments. Plant protection products are sourced from approved distributors and manufacturers operating under EU law. Agricultural machinery is supplied under exclusive distribution agreements with global manufacturers such as Case IH and Kverneland. Distribution rights are secured through strict adherence to manufacturer standards, including operational, marketing, and service-level compliance.

Ingredients for certified seed production are sourced from multiple approved partners, including internal suppliers within the Group. Grain and oilseeds are procured directly from farmers and cooperatives in Lithuania and Latvia through a mix of long-term agreements, direct contracting, and spot-market procurement. Supply cycles are determined by harvest conditions and storage availability. A portion of grain suppliers are also input trade clients, creating reciprocal commercial relationships across seasonal cycles. Grain is sold on international commodity markets and used in feed manufacturing both at AB Kauno Grūdai and internally at AS Kekava Foods. The Group maintains continuity of supply through long-term relationships and operates multiple grain elevators in Lithuania and Latvia.

Soya cake is procured from suppliers operating within the EU and forms a key component of compound feed formulations. Feed for poultry and dairy farming includes a mix of Group-produced feed, on-farm forage, and volumes purchased from long-established external suppliers. Inputs used in feed production are monitored for nutritional balance, origin certification, and long-term availability.

In the Food production segment, key materials include grain for plant-based products, feed for poultry, and a wide range of food additives such as oils, seasonings, and salt. These are sourced from multiple suppliers, including producers, importers, and distributors. Vegetables used in ready-to-eat soups and preserved vegetable products are sourced primarily from local producers certified under the Ekoagros organic certification scheme. This process requires careful planning and supplier selection to ensure consistency, compliance, and traceability. Packaging is sourced from certified local suppliers selected for compliance with food contact regulations and customer-specific standards. Procurement contracts are structured to ensure technical continuity, hygiene compliance, and supply reliability.

In the Farming segment, feed is sourced from on-farm production, AB Kauno Grūdai, and external local feed manufacturers. Agro inputs including fertilisers and plant protection products are purchased from both Group companies and independent market players, ensuring price competitiveness and supply flexibility.

Inputs used in Other products and services — including raw materials for pet food, veterinary products, and hygiene/disinfection services — are sourced independently. In some veterinary categories, the Group holds official representation and distribution rights for selected brands, requiring product stewardship and regulatory alignment.

Input supply across the Group is managed through structured contracts, infrastructure access, and multi-year commercial relationships. Procurement is aligned with production cycles and coordinated to manage seasonal exposure, logistics risk, and regulatory obligations.

## OUTPUTS AND OUTCOMES IN TERMS OF CURRENT AND EXPECTED BENEFITS FOR CUSTOMERS, INVESTORS AND OTHER STAKEHOLDERS

(ESRS 2 | SBM-1 42 b)

Outputs across the Group include poultry products, raw milk, beef, grain, compound feed, certified seeds, agro inputs, manure, disinfection services, and agronomic advice. These are delivered through proprietary brands, private label contracts, technical partnerships, and direct distribution to farmers, processors, retailers, and export buyers.

Customers benefit from food safety, traceability, and regulatory compliance. Poultry offers an affordable source of high-quality protein suitable for multiple diets and religious preferences. Instant food provides a convenient and accessible nutritional solution across various life circumstances. Flour and flour-based products serve as staple components of local diets. Private label clients benefit from high product standards and reliable delivery, enabling them to build durable product portfolios without investing in food production lines, supported by EU-based manufacturing, certification, and oversight.

Farmers benefit from certified seeds, feed, fertilisers, plant protection products, and technical advice delivered through multiple flexible cooperation forms. Advisory services, input planning, and field support ensure reliable, timely, and affordable service. Agromachinery customers benefit from new and retrofitted equipment and professional service support. Agricultural clients also benefit from the sale of poultry manure as organic fertiliser, supporting nutrient needs and circular use.

Milk processors benefit from stable volumes and high-quality raw milk supply, ensuring continuity and input consistency. Food storage and manufacturing companies benefit from hygiene and pest control services, reducing spoilage and food loss risks. Disinfection and fumigation support food safety and help maintain permit compliance across processing and logistics sites.

Investors benefit from a vertically integrated structure, long-term infrastructure ownership, regulated market exposure, and consolidated sustainability reporting aligned with EU climate, social, and governance frameworks.

Public stakeholders benefit from local employment, permit and certification compliance, environmental safeguards, and operational transparency. Outputs and outcomes collectively support continuity of food and input supply, resilience to regulatory change, and adherence to legal, ethical, and consumer protection standards across all segments and markets.

#### MAIN FEATURES OF UPSTREAM AND DOWNSTREAM VALUE CHAIN AND UNDERTAKING'S POSITION IN VALUE CHAIN

(ESRS 2 | SBM-1 42 c | AR 15)

The upstream value chain includes internationally and locally sourced agricultural inputs (fertilisers, PPPs, seeds, feed ingredients, packaging materials, and agromachinery), procured under EU regulatory frameworks and distributed through Group-operated infrastructure. Grain and oilseeds are procured from internal farming operations and local producers for feed, food, or trade purposes.

Downstream, outputs from Farming and Food production segments flow to processors, retailers, distributors, and export markets. Channels include commodity trade, contract manufacturing, private label supply, and branded retail. Operational control is maintained through integrated processing, packaging, and logistics structures. Disinfection and hygiene services extend downstream to storage and food-sector clients.

The Group holds a structurally embedded position in the Baltic agricultural and food value chain, performing input supply, primary production, processing, and distribution functions under consolidated management and regulatory oversight.

#### **Stakeholders**

#### STAKEHOLDER ENGAGEMENT

(ESRS 2 | SBM-2 45 a | AR 16)

Group-wide stakeholders

Employees, shareholders and investors, financial institutions, academic and scientific institutions, official government bodies, and the Bank of Lithuania.

#### Segment-specific stakeholders

- Food production retail chains and private label buyers, certification and audit bodies, end-users and consumers, local communities near poultry
  operations.
- Partners for Farmers farmers and agricultural clients, agromachinery clients, suppliers of seeds, fertilisers, and plant protection products.
- Farming landowners, milk and grain buyers, rural communities.

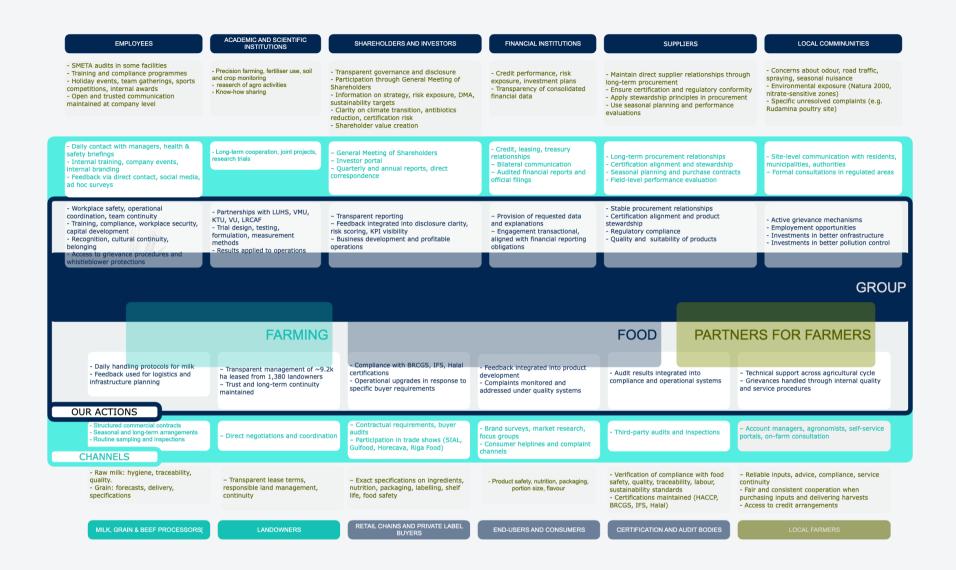
#### Purpose and organisation of stakeholder engagement

Engagement is designed to understand, respond to, and manage stakeholder expectations, requirements, and dependencies across the Group's value chain and regulatory environment. It supports operational continuity, compliance, risk management, product acceptance, investment access, and strategic alignment.

Engagement is maintained through formal structures (general meetings, contracts, permits, audits, inspections, bilateral communication) and decentralised interactions at company and site level (daily contact, training, community dialogue).

#### Consideration of outcomes

Stakeholder feedback is taken into account through adjustments to operations, compliance systems, product specifications, investment planning, and communication. It informs certifications, audit protocols, sourcing decisions, zoning adjustments, and policy updates, and is escalated to segment management where relevant.



Stakeholder engagement map, AB Akola Group

#### **Stakeholder Map Description**

- Centre: the Group and its three business segments Farming, Food production, and Partners for farmers.
- Inner circles:
  - **Expectations** what stakeholders require from the Group.
  - Channels how information and dialogue take place.
  - Actions how the Group responds to stakeholder expectations.
- Outer layer: stakeholders.
  - At the top Group-wide stakeholders (employees, academic institutions, investors, financial institutions, suppliers, local communities).
  - At the **bottom** segment-specific stakeholders (directly linked to Farming, Food production, or Partners for Farmers).

This structure shows how the Group connects its business segments with both Group-wide and segment-specific stakeholders through expectations, channels, and actions.

#### UNDERSTANDING OF INTERESTS AND VIEWS OF KEY STAKEHOLDERS

(ESRS 2 | SBM-2 45 b | AR 16)

The Group's understanding of stakeholder interests and views is based on direct engagement, contractual requirements, audit processes, regulatory interactions, and ongoing operational dialogue, as described under ESRS 2 | SBM-2 45 a. These interests relate to product safety, traceability, emissions, animal welfare, financial performance, compliance, and licence to operate. Stakeholder expectations influence business planning, investment prioritisation, and segment-level strategy, particularly in the Food Products and Partners for Farmers segments.

### AMENDMENTS TO STRATEGY AND BUSINESS MODEL

(ESRS 2 | SBM-2 45 c-d)

The Group's business model remains unchanged but continues to evolve in response to stakeholder expectations, regulation, and operational feedback. Adjustments include new production sites, elevator acquisitions, renewable energy investments, and enhanced reporting. These reflect ongoing transformation rather than structural change.

Future steps focus on expanding energy capacity, strengthening traceability and reporting, and scaling certified production, aligned with medium- and long-term planning through 2030. These initiatives are expected to reinforce stakeholder relationships by improving transparency, compliance, and environmental performance without altering established engagement channels.

### INFORMATION FLOWS TO ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Members of the Board are directly responsible for business segments and receive stakeholder input through operational reports, grievance updates, audits, and regulatory interactions. Executives also maintain direct stakeholder relationships and participate in negotiations, investment planning, and issue resolution.

Company-level sustainability inputs are submitted via the Group Treasury and Sustainability unit under Finance and Risk Management Department. Supervisory bodies are informed through formal disclosures, board reporting, and shareholder enquiries, with stakeholder input integrated into compliance, risk evaluation, and strategic oversight.

### Material impacts, risks and opportunities

#### MATERIAL IMPACTS RESULTING FROM MATERIALITY ASSESSMENT

(ESRS 2 | SBM-3 48 a | AR 17-18)

Due to its level of integration, geographic reach, and production intensity, the Group generates impacts that are structural, recurrent, and consistent across locations and reporting periods. Effects arise not from isolated events but from the standard functioning of business segments operating at scale. Activities are continuous, seasonally embedded, and reinforced by uniform sourcing, infrastructure, and product flows. The scope of resulting impacts extends across environmental systems, local communities, and international supply chains. Their persistence reflects the absence of natural offset cycles within the operational model. As a result, the Group's influence on physical and social conditions is not peripheral but inherent to its role as a high-throughput producer of agricultural inputs, raw materials, and finished food products.

Sustainability topic	Impact	Effect type	Impact Description	Origin of impact	Actual/ Potential	Materiality level	Time Horizon
ESRS E1 – Climate change	Direct GHG emissions	-	Greenhouse gases are released through livestock digestion, manure handling, fertiliser use, and combustion of diesel, gas, and LPG. These emissions drive climate change, accelerating environmental degradation and global warming.	Own operations	Actual	••••	Short term to long term
ESRS E1 – Climate change	Value chain emissions	-	Purchased feed, fertilisers, energy, packaging, and transport generate Scope 2 and Scope 3 emissions. These activities contribute to climate change through greenhouse gases embedded in upstream and downstream value chain operations.	Upstream value chain	Actual	••••	Short term to long term
ESRS E1 - Climate change	Energy use	-	Heating, ventilation, drying, processing, and cooling require constant energy inputs, often from fossil fuels. This energy intensity drives greenhouse gas emissions, strains natural resources, and contributes to environmental degradation.	Own operations	Actual	••••	Short term to long term
ESRS E2 - Pollution	Emissions to air		SO <sub>x</sub> , NO <sub>x</sub> , ammonia, and particulate matter from standard operations degrade air quality, impact public health, and contribute to atmospheric pollution.	Own operations	Actual	••••	Short term to long term
ESRS E2 - Pollution	Emissions to water	-	Organic residues from standard operations degrade aquatic ecosystems and water quality.	Own operations	Actual	•••0	Short term to long term
ESRS E2 - Pollution	Substances of concern	-	Hazardous chemicals in packaging, fertilisers, and plant protection products contribute to long-term	Own operations	Actual	••••	Short term to long term

			pollution, bioaccumulation, and toxic exposure risks.				
ESRS E3 – Water and marine resources	Water consumptio n	-	Large volumes of freshwater are used for livestock care, cleaning, processing, and cooling.	Own operations	Actual	••••	Short term to long term
ESRS E3 – Water and marine resources	Water systems	+	The installation of drainage systems alters natural water movement and leads to changes in soil structure and moisture levels, affecting local ecosystems and land function.	Downstream value chain	Actual	••00	Short term to long term
ESRS E4 – Biodiversity and ecosystems	Biodiversity loss upstream	-	Sourcing of feed crops and grains from high-risk regions drives habitat loss and deforestation, contributing to upstream biodiversity decline outside the EU.	Upstream value chain	Actual	••••	Short term to long term
ESRS E4 – Biodiversity and ecosystems	Biodiversity loss own operations	-	Even under EU-compliant practices, on-site habitat simplification, routine agrochemical use, and limited ecological buffers negatively affect biodiversity.	Own operations	Actual	••••	Short term to long term
ESRS E4 – Biodiversity and ecosystems	Biodiversity loss downstrea m	-	Manure application, fertilisers, and PPPs cause nutrient runoff and eutrophication, disrupting aquatic species and soil microbial diversity.	Downstream value chain	Actual	••••	Short term to long term
ESRS E5 – Circular economy	Packaging and material use	-	The Group uses significant volumes of plastic, paper, and mixed-material packaging with limited recyclability. These materials contribute to upstream resource depletion and downstream waste accumulation.	Own operations Downstream value chain	Actual	••••	Short term to long term
ESRS E5 – Circular economy	Waste generation	-	Production, processing, and packaging activities generate waste that is partially landfilled or incinerated. This leads to material loss, emissions, and persistent environmental pressure.	Own operations	Actual	••••	Short term to long term
ESRS E5 – Circular economy	Food waste	-	Spoilage, recalls, and overproduction result in food waste that undermines resource efficiency. Though some volumes are recovered, a portion is lost.	Own operations & Downstream value chain	Actual	••••	Short term to long term
ESRS E5 – Circular economy	Food waste Prevention	+	By preventing infestations and contamination, pest control services help reduce food waste across the supply chain, preserving resources and improving food system efficiency.	Own operations Downstream value chain	Actual	•••0	Short term to long term
ESRS E5 – Circular economy	Resource depletion	-	Soil nutrient loss and acidification arise from intensive fertiliser use and continuous agricultural exploitation. These practices diminish long-term land productivity.	Own operations	Actual	•••0	Long term
ESRS E5 – Circular economy	Durability of products	+	Durable agricultural machinery sold and serviced by the organisation reduces the need for frequent replacement, lowering resource use and environmental impact downstream	Own operations Upstream and downstream value chain	Actual	•••0	Short term to long term

ESRS S1 - Own	Occupation	-	Workers, including those outsourced in poultry	Own operations	Actual	•••	Short term to
workforce	al health and safety		operations, are exposed to machinery, chemicals, and biological risks. Outsourced labour may face weaker protections, increasing vulnerability to injury and chronic health impacts.				long term
ESRS S3 – Affected communities	Local environmen tal disturbance	-	Operations generate odour, noise, dust, and traffic, particularly near farming and processing sites. These affect the quality of life of nearby residents and often lead to local opposition.	Own operations	Actual	•••	Short term to long term
ESRS S4 – Consumers and end-users	Food safety	-	Failures in hygiene, traceability, or contamination control can result in unsafe products, exposing consumers to serious health risks and damaging trust.	Own operations Upstream and downstream value chain	Potential	•••	Short term to long term
ESRS S4 – Consumers and end-users	Nutritional profile	-	Some products, especially instant foods, are high in salt and low in fibre. Overconsumption may contribute to poor dietary quality and related health risks.	Own operations	Potential	••••	Short term to long term
ESRS S4 – Consumers and end- users	Food access	+	The Group supplies affordable proteins and staple foods, improving access to nutrition, especially for low-income consumers. Large-scale supply increases availability.	Own operations	Actual	••••	Short term to long term
ESRS S4 – Consumers and end-users	Social inclusion	+	Affordable and accessible food products contribute to reducing social inequality by supporting nutritional needs across diverse socio-economic groups.	Own operations Downstream value chain	Actual	•••	Short term to long term
ESRS G1 – Business conduct	Animal welfare	-	Intensive poultry and dairy practices restrict natural behaviour and increase stress, injury, and disease risks, affecting animal well-being and ethical compliance.	Own operations	Actual	••••	Short term to long term
ESRS G1 – Business conduct	Supplier conduct	-	Procurement from third parties may indirectly support deforestation, unsafe labour practices, or pollution if suppliers fail to meet environmental and social standards.	Own operations Upstream value chain	Potential	••••	Short term to long term
ESRS G1 – Business conduct	Quality control	+	Effective quality systems ensure safe and compliant production and prevent material loss, safety issues, and reputational harm.	Own operations Upstream and downstream value chain	Potential	••••	Short term to long term
ESRS G1 – Business conduct	Ethical conduct	+	Transparency, integrity, and adherence to shared principles influence stakeholder trust, reduce compliance risk, and uphold responsible business practices.	Own operations Upstream and downstream value chain	Actual	•••	Short term to long term
Cross-standard E1, E4, S3, S4, G1	Sectoral leadership	+	By setting high benchmarks in quality and sustainability, the Group influences performance and compliance across its value chain and the wider sector.	Own operations Upstream and downstream value chain	Actual	•••	Short term to long term

Cross-standard E2, S1.	Biosafety	+	Hygiene, disease control, and responsible	Own operations	Potential	••••	Short term to
S3, S4			antimicrobial use help prevent zoonotic outbreaks	Upstream and			long term
			and support public health and ecological stability.	downstream			
				value chain			

### MATERIAL RISKS AND OPPORTUNITIES RESULTING FROM MATERIALITY ASSESSMENT

(ESRS 2 | SBM-3 48 a | AR 17-18)

Material risks and opportunities identified through the double materiality assessment reflect regulatory, operational, environmental, social, and governance exposures across all business segments. Transition and compliance risks arise from evolving rules on emissions, pollutants, packaging, biodiversity, water abstraction, labour practices, and food safety. Operational risks are linked to energy use, land use, infrastructure stress, and workforce stability. Reputational and enforcement risks relate to buyer protocols, public expectations, and legal obligations. Opportunities are inherent in certification, efficiency, renewable inputs, circular use of materials, and demand for traceable, compliant, and lower-impact products and services. These effects are structural and arise from the Group's embedded role in regulated, resource-intensive, and high-throughput value chains.

Topic	Sub-topic	Risk or opportunity	Description	Dependency or Impact based	Materiality score	Time horizon
ESRS E1 – Climate change	Emissions	Risk	CO <sub>2</sub> pricing and stricter regulations may require significant additional investment in emission reduction technologies, increasing operational costs and affecting profitability.	Dependency	•••0	Medium term
ESRS E1 – Climate change	Emissions	Opportunity	Reducing and avoiding emissions lowers climate-related risks, improves efficiency, and supports positioning as a low-carbon supplier, strengthening competitiveness and access to sustainable finance.	Impact	••00	Short term
ESRS E1 – Climate change	Climate adaptation	Risk	More frequent heatwaves and extreme weather events may disrupt supply chains, damage property, and increase the need for HVAC and cooling investments, leading to production stoppages and higher insurance costs.	Dependency	••••	Short term
ESRS E1 – Climate change	Climate adaptation	Opportunity	Investments in resilient infrastructure, diversified sourcing, and improved logistics enhance supply stability, reduce vulnerability to disruptions, and protect business continuity.	Dependency	••00	Short term
ESRS E1 – Climate change	Energy use	Risk	Operating sites with low energy efficiency may face higher utility costs and negative ESG ratings, which could increase financing costs, reduce investor confidence, and limit access to premium markets.	Dependency	•••	Short term
ESRS E1 - Climate change	Energy use	Opportunity	Adopting real-time energy metering, automation, and retrofitting improves energy efficiency, lowers costs, and enhances ESG ratings, making the business more attractive to customers and investors.	Impact	••00	Short term
ESRS E2 – Pollution	Systematic pollution	Risk	Community opposition arising from pollution incidents may lead to reputational damage, financial penalties, and additional investment requirements to restore compliance.	Dependency	••00	Short term

ESRS E2 – Pollution	Systematic pollution	Risk	Violations of environmental permits could trigger regulatory sanctions, lawsuits, and reputational harm, threatening the Group's licence to operate.	Impact	•••	Short term
ESRS E2 – Pollution	Systematic pollution	Opportunity	Upgrading filtering and emission control systems beyond regulatory requirements reduces pollution risk, lowers long-term compliance costs, and strengthens stakeholder trust.	Impact	●000	Short term
ESRS E3 – Water and marine resources	Water consumption	Risk	Water scarcity, rising abstraction costs, and tighter regulatory limits may increase production costs, constrain operations, and disrupt supply continuity.	Dependency	••00	Short term
ESRS E3 – Water and marine resources	Water equilibrium	Risk	Faulty drainage systems may cause waterlogging and yield losses for farmers, reducing grain availability for the Group's feed and food businesses and creating supply chain instability.	Impact	•000	Short term
ESRS E3 – Water and marine resources	Water consumption	Opportunity	Investing in water flow optimisation, reuse systems, and dry-cleaning technologies lowers dependency on freshwater, reduces operating costs, and improves resilience to water scarcity.	Impact	••00	Short term
ESRS E4 – Biodiversity	Biodiversity upstream	Risk	Loss of credibility due to biodiversity degradation, NGO campaigns, and stricter regulation may increase costs and reduce access to export markets.	Dependency	•••	Short term
ESRS E4 – Biodiversity	Depletion of resources	Risk	Aggressive ploughing and deforestation increase soil erosion, reduce arable land, and cause sediment runoff, undermining long-term raw material supply and increasing compliance costs.	Dependency	•000	Short term
ESRS E4 – Biodiversity	Biodiversity upstream	Opportunity	Strict certification of local farmers promotes sustainable practices, ensuring long-term raw material availability and strengthening market position with eco-conscious buyers.	Impact	•000	Short term
ESRS E4 – Biodiversity	Biodiversity downstream	Risk	Impacts on downstream ecosystems may lead to NGO campaigns, stricter regulation, and reputational harm, raising costs and reducing buyer confidence.	Dependency	•000	Short term
ESRS E4 – Biodiversity	Biodiversity downstream	Opportunity	Maintaining 100% antibiotic-free poultry production and developing biomethane from manure reduces pressure on ecosystems, cuts emissions, and improves brand reputation.	Impact	●000	Short term
ESRS E4 – Biodiversity	Biodiversity own operations	Risk	Routine agricultural operations may reduce on-site biodiversity, leading to regulatory scrutiny, stricter land-use obligations, and reputational harm.	Impact	●000	Short term
ESRS E5 – Circular economy	Food Waste	Risk	High levels of avoidable food waste may result in penalties from retailers, reputational damage, and increased disposal costs.	Impact	••00	Short term
ESRS E5 – Circular economy	Food Waste	Opportunity	Optimising packaging, portioning, shelf-life, and cold-chain efficiency reduces food waste, improves resource use, and lowers reputational and financial risks	Impact	•••	Short term
ESRS E5 – Circular economy	Waste generated	Risk	Improper waste management may increase disposal costs, attract scrutiny from regulators and NGOs, and risk permit breaches.	Impact	••000	Short term
ESRS E5 – Circular economy	Waste generated	Opportunity	Converting unavoidable waste into energy or secondary products reduces landfill costs, improves efficiency, and creates new revenue streams.	Impact	••00	Short term

ESRS E5 – Circular economy	Inputs	Risk	Using non-recyclable or excessive packaging may result in retailer penalties, non-compliance with regulations, reputational damage, and loss of contracts.	Impact	•••	Short term
ESRS E5 – Circular economy	Inputs	Opportunity	Developing mono-material, recyclable packaging and optimising materials reduces costs, improves compliance, and positions the Group as a sustainability leader.	Impact	•••	Medium term
ESRS S1 - Own workforce	OHS	Risk	Workplace accidents may result in fines, lawsuits, production stoppages, and reputational harm.	Impact	••00	Short term
ESRS S1 – Own workforce	OHS	Opportunity	Implementing biosecurity protocols, vaccination programmes, protective equipment, and health monitoring reduces accidents, improves productivity, and safeguards continuity.	Impact	••00	Short term
ESRS S1 – Own workforce	Employee turnover	Risk	High turnover increases recruitment and training costs, disrupts production, and may reduce quality and safety standards.	Dependency	•••	Short term
ESRS S1 - Own workforce	Employee turnover	Opportunity	Improved retention through training, benefits, and workplace improvements lowers costs, stabilises production, and enhances product quality and safety.	Impact	•••	Short term
ESRS S1 – Own workforce	OHS	Risk	Limited control over outsourced workers may lead to labour law breaches, accidents, and reputational damage, exposing the Group to legal liabilities.	Dependency	••00	Short term
ESRS S3 – Affected communities	Local communities	Risk	Community complaints, activism, or opposition may delay permits, provoke inspections, or damage reputation and licence to operate	Dependency	••00	Short term
ESRS S3 – Affected communities	Local communities	Opportunity	Engaging transparently, co-investing in local infrastructure, and supporting local hiring builds trust, reduces opposition, and enhances long-term licence to operate.	Impact	•000	Short term
ESRS S4 – End users	Food safety	Risk	Failures in hygiene, temperature control, traceability, or packaging may cause contamination, product recalls, certification loss, and client delisting.	Impact	••00	Short term
ESRS S4 - End users	Faulty client service	Risk	Operational failures in service or delivery may lead to customer complaints, contract penalties, or loss of certification.	Impact	•••	Short term
ESRS S4 – End users	Food safety	Opportunity	Investing in predictive microbiology, smart packaging, and automated hygiene systems strengthens food safety, reduces recall risks, and builds consumer confidence.	Impact	•000	Short term
ESRS S4 - End users	Food access	Opportunity	Supporting national nutrition agendas and public health goals expands product demand and strengthens reputation with authorities and buyers.	Impact	•••	Short term
ESRS S4 - End users	Technology access	Opportunity	Access to retrofitted processing technologies improves efficiency, strengthens compliance, and ensures long-term competitiveness.	Impact	•••	Short term
ESRS G1 - Business conduct	Supply chain management	Risk	Insufficient due diligence or traceability may result in legal non-compliance, certification loss, or delisting by retailers due to links with deforestation, labour abuse, or fraud.	Impact	•••	Short term

ESRS G1 – Business conduct	Supply chain management	Opportunity	Strengthening sourcing controls through traceability systems, supplier audits, and deforestation-free commitments improves compliance, reduces legal exposure, and builds trust with buyers.	Dependency	••00	Short term
ESRS G1 – Business conduct	Quality control	Risk	Variability in product quality (e.g. weight, texture, shelf life) may trigger product returns, complaints, penalties, or loss of private-label contracts.	Impact	••00	Short term
ESRS G1 – Business conduct	Quality control	Opportunity	Strengthening quality management systems reduces variability, ensures compliance, and builds customer confidence.	Impact	••000	Short term
ESRS G1 – Business conduct	Certification	Risk	Loss of mandatory food safety or sustainability certifications blocks access to retail and export markets, resulting in lost contracts and revenues.	Dependency	••00	Short term
ESRS G1 – Business conduct	Certification	Opportunity	Achieving and maintaining top-tier certifications opens premium private- label contracts, improves buyer trust, and strengthens long-term competitiveness.	Other context	••00	Short term
ESRS G1 – Business conduct	Animal welfare	Risk	Failure to meet animal welfare standards may provoke consumer backlash, regulatory sanctions, and reputational damage.	Other context	••00	Short term
ESRS G1 – Business conduct	Ethics	Risk	Incidents of fraud, bribery, or labour rights violations in procurement or operations may result in legal prosecution, reputational harm, and contract loss.	Other context	•••0	Short term
Cross-standard E1, E4, S3, S4, G1	Biosafety	Risk	Breaches of biosafety protocols may cause livestock disease outbreaks, leading to culling, production losses, and reputational harm.	Dependency	•••0	Short term
Cross-standard E1, E4, S3, S4, G1	Sectoral leadership	Risk	Falling behind in innovation, sustainability, or quality may erode competitive position, weaken client trust, and reduce access to premium markets.	Impact	••00	Short term
Cross-standard E1, E4, S3, S4, G1	Sectoral leadership	Opportunity	Developing new product formats, sustainable packaging, and advanced food safety practices strengthens leadership position, expands markets, and supports long-term growth.	Impact	••00	Short term
Cross-standard E1, E4, S3, S4, G1	Feeed safety	Risk	Mycotoxins, cross-contamination, or undeclared ingredients may trigger recalls, regulatory action, and loss of certification, damaging trust and revenues.	Impact	••000	Short term

CURRENT AND ANTICIPATED EFFECTS OF MATERIAL IMPACTS, RISKS AND OPPORTUNITIES ON BUSINESS MODEL, VALUE CHAIN, STRATEGY AND DECISION-MAKING, AND HOW THE UNDERTAKING HAS RESPONDED OR PLANS TO RESPOND TO THESE EFFECTS (ESRS 2 | SBM-3 48 b | AR 18)

Material impacts, risks and opportunities influence how the Group operates, plans, and allocates resources across its integrated segments. Current effects are reflected in regulatory compliance measures, permit-linked operating constraints, certification requirements, food safety protocols, workforce practices, and customer specifications. Value chain structure is shaped by obligations related to traceability, environmental thresholds, public health safeguards, and contract performance. Strategic focus is influenced by dependency on regulated agricultural inputs, infrastructure resilience, and segment-specific risk exposure. Anticipated effects include increased capital allocation to energy systems, packaging performance, climate adaptation measures, and advisory or certification-

linked services. These factors are embedded in investment timing, site development, product specification, and operational design. Adjustments are made at segment level in response to buyer requirements, legal frameworks, and expected shifts in environmental and social performance standards.

#### **DESCRIPTION OF MATERIAL IMPACTS**

(ESRS 2 | SBM-3 48 c i-iv | AR 18)

Material negative and positive impacts on people and the environment are presented in the Material Impacts Table (ESRS 2 | SBM-3 48 a | AR 17–18), together with their links to operations and the value chain.

CURRENT FINANCIAL EFFECTS OF MATERIAL RISKS AND OPPORTUNITIES ON FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS, AND MATERIAL RISKS AND OPPORTUNITIES FOR WHICH THERE IS SIGNIFICANT RISK OF MATERIAL ADJUSTMENT WITHIN NEXT ANNUAL REPORTING PERIOD TO CARRYING AMOUNTS OF ASSETS AND LIABILITIES REPORTED IN RELATED FINANCIAL STATEMENTS

(ESRS 2 | SBM-3 48 d | AR 18)

Financial effects of material risks and opportunities are embedded in operational costs and investment decisions across all segments. Expenditures during the reporting period included ventilation and odour abatement upgrades at AB Vilniaus Paukštynas (EUR 2.6 million already invested and nearly EUR 2 million scheduled), wastewater treatment improvements, and packaging line adjustments. These costs were recognised within ordinary CAPEX and OPEX and are not reported as separate sustainability line items.

No discrete sustainability-related impairments, revaluations, or provisions were recorded in the reporting period. No material adjustment to the carrying amount of assets or liabilities is expected within the next annual reporting cycle.

DISCLOSURE OF ANTICIPATED FINANCIAL EFFECTS OF MATERIAL RISKS AND OPPORTUNITIES ON FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS OVER SHORT-, MEDIUM- AND LONG-TERM (ESRS 2 | SBM-3 48 e | AR 18)

According to the Group's double materiality assessment, the aggregate anticipated impact of material risks and opportunities on the Group level could translate into financial effect equal 2.1 times the normalized EBITDA (if all events would be materialising at the same time, and no risks/opportunities would be overlapping). While these effects reflect aggregated costs (compliance, infrastructure adaptation, input pricing, packaging compliance, certification and audit requirements, supply-chain traceability, etc.), simultaneous materialization of all events under Double materiality assessment is highly unlikely; moreover – Group formally includes both risks and opportunities as separate financial effect component rather than netting them, respectively resulting in significantly inflated financial outcome. Clearly stating the limitations of the financial effect calculation, Group management states that results should be interpreted with caution in decision-making process of any kind.

- Short term (1 year): incremental OPEX from energy use, packaging compliance, and certification.
- Medium term (2–5 years): CAPEX for infrastructure adaptation (ventilation, insulation, drainage), regulatory change (fertiliser traceability, refrigerant transition), and digital traceability systems.
- Long term (beyond 5 years, 2030-2050 horizon): exposure to climate hazards, resource dependency, and cumulative policy costs.

Magnitudes are benchmarked against segment-normalised EBITDA to support conservative evaluation and internal prioritisation. Quantification is subject to uncertainty around regulation, market response, and attribution of sustainability drivers.

# INFORMATION ABOUT RESILIENCE OF STRATEGY AND BUSINESS MODEL REGARDING CAPACITY TO ADDRESS MATERIAL IMPACTS AND RISKS AND TO TAKE ADVANTAGE OF MATERIAL OPPORTUNITIES

(ESRS 2 | SBM-3 48 f | AR 18 | E1.SBM-3 | AR 8b)

The Group's strategy and business model are structured to ensure continuity under changing regulatory, environmental, and social conditions. Core operations are based on long-term infrastructure, stable supply chains, vertically integrated production, and compliance-based market access. While flexibility is limited due to the scale and regulatory exposure of core segments, adaptation is embedded in investment planning, procurement, and production processes. The Group demonstrates resilience through continuous adjustments to input types, product standards, crop planning, infrastructure, certification, and logistics. Material opportunities are addressed through alignment with food safety, traceability, emissions performance, and regulatory compliance expectations across markets.

### Qualitative resilience analysis

Climate change is a cumulative process, and the Group recognises that resilience depends on continuous adaptation rather than one-time adjustments. The sensitivity of activities differs across segments:

- Food Products (poultry): Poultry operations are ultra-sensitive to climate conditions. Even short-term failures in ventilation, cooling, or feed supply can lead to immediate and fatal consequences for flocks. This makes climate resilience a matter of daily operational survival, not just long-term planning. Continuous monitoring, redundancy in systems, and rapid response capabilities are therefore central to resilience.
- Farming: Agricultural activities remain as close to nature as possible, with outcomes tied directly to soil fertility, crop rotations, and seasonal conditions. Resilience here rests on the expertise of agronomists and other agro-professionals, who continuously observe conditions and plan strategically, enabling timely adaptation of cultivation, input use, and harvest schedules.
- Partners for Farmers (trade and inputs): Grain trade and input distribution depend on farmers' ability to navigate risks and secure harvests. The Group actively supports downstream resilience by providing certified seeds, fertilisers, agronomic advice, and machinery services. By building resilience among farmers, who in turn supply the Group during harvest periods, continuity is strengthened throughout the value chain.

- Other products and services: Pet food and hygiene services are less exposed to climate variables but indirectly support resilience by maintaining animal health, storage safety, and food loss prevention.

#### Resilience across scenarios and horizons

- Short term (1 year): The business model is resilient under all SSP pathways. No Group-owned assets are at material physical risk before adaptation. Continuity is secured by vertical integration and regulatory compliance.
- Medium term (2–5 years): Resilience remains strong, supported by ventilation and insulation upgrades, drainage improvements, renewable electricity sourcing, and transition to ammonia refrigeration.
- Long term 2030 (2021-2040):
- SSP1-2.6: Resilience is viable but compliance intensity is the main stressor (fertiliser restrictions, refrigerant rules, Scope 3 reporting).
- SSP2-4.5: Adaptation is phased and aligned with replacement cycles; resilience remains high.
- SSP3-7.0: Physical stressors rise, but adaptation of cooling/drying systems ensures viability; transition risks remain limited under weak enforcement.
- SSP5-8.5: Technology performance risk emerges for HVAC and ventilation; resilience is conditional on targeted retrofits.
- Long term 2050 (2041-2060):
- SSP1-2.6: Regulatory obligations (CBAM, fertiliser traceability, disclosure rules) are the binding constraint; resilience is compliance-driven.
- SSP2-4.5: Resilience remains adequate; buyer standards tighten but adaptation fits normal CAPEX cycles.
- SSP3-7.0: Resilience depends on replacement of long-lived infrastructure stressed by heat and humidity; viability remains achievable.
- SSP5-8.5: Centralised energy dependency becomes material; resilience is conditional on energy supply continuity and redundancy. Two rented grain elevators are identified as carrying material physical risk exposure under high-hazard projections.

#### Limits to resilience

Resilience is subject to structural limits: poultry operations will always carry immediate sensitivity to climate extremes; farming will remain exposed to natural variability; and trade will depend on harvest outcomes. Scope 1 biological emissions cannot be eliminated, and fossil fuel substitution depends on biomethane deployment. Long-lived cooling, drying, and ventilation systems face stress under high-emission scenarios, while compliance intensity is the binding constraint under low-emission scenarios. Despite these limits, no Group-owned assets are projected to become stranded under 2030 or 2050 horizons, and the overall business model remains viable across all SSP pathways when planned adaptations are executed.

## CHANGES TO MATERIAL IMPACTS, RISKS AND OPPORTUNITIES COMPARED TO PREVIOUS REPORTING PERIOD (ESRS 2 | SBM-3 48 q | AR 18)

This is the first reporting period in which a double materiality assessment has been applied in accordance with ESRS. In previous reporting cycles, material topics were identified using GRI Standards. While the underlying scope and depth of information have remained consistent, the format, classification, and level of granularity have changed to reflect ESRS requirements. Reported impacts, risks, and opportunities are now structured under ESRS topical standards and are not directly comparable to previous disclosures in format, but represent a continuation of existing reporting content.

# SPECIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES THAT ARE COVERED BY ESRS DISCLOSURE REQUIREMENTS AS OPPOSED TO THOSE COVERED BY ADDITIONAL ENTITY-SPECIFIC DISCLOSURES

(ESRS 2 | SBM-3 48 h | AR 18)

All material impacts, risks, and opportunities identified through the double materiality assessment are addressed through the relevant ESRS topical standards. No additional material impacts, risks, or opportunities have been identified that fall outside the scope of ESRS disclosure requirements. As a result, no entity-specific disclosure requirements beyond ESRS are applied in this report.

### METHODOLOGIES AND ASSUMPTIONS APPLIED IN PROCESS TO IDENTIFY IMPACTS, RISKS AND OPPORTUNITIES

(ESRS 2 | IRO-1 53 a)

The Group identifies impacts, risks and opportunities using an established process based on its prior experience with GRI materiality assessments, which have been performed on multiple occasions and provide a tested baseline for topic identification. The Board and segment management have a detailed understanding of the business model, which is fully mapped to reflect the supply chain, operational dependencies, and value chain linkages. Internal records of certifications, audit outcomes, compliance obligations, and risk management processes are maintained and used as inputs. Business activities are systematically cross-checked against ESRS topical standards and CSRD requirements to ensure that all relevant sustainability matters are considered. Historic operational and market data are used to understand the scale and persistence of identified matters, and to link them to specific operational activities or value chain stages.

Segment-level DMA sessions are led by an external consultant experienced in ESRS and CSRD implementation, with participation from appointed internal experts, operational managers and sustainability managers. These sessions apply the Group's scoring methodology for impact and financial materiality, using the latest available 2023/24 data for weighting and recognised external datasets where primary data is unavailable. All assumptions are documented. Consolidated results are reviewed by the Audit Committee and validated by the Board, with expert judgement applied where necessary to confirm final material matters.

## PROCESS TO IDENTIFY, ASSESS, PRIORITISE AND MONITOR POTENTIAL AND ACTUAL IMPACTS ON PEOPLE AND ENVIRONMENT, INFORMED BY DUE DILIGENCE PROCESS

(ESRS 2 | IRO-1 53 b)

All impacts are identified and monitored at segment level, as each business segment has distinct operational activities, regulatory obligations and value chain relationships. Monitoring is continuous and uses multiple mechanisms, including compliance with applicable national and EU regulations, mandatory reporting requirements, external audits, internal KPI tracking, and standard business control processes. Systematic impacts are tracked through regulatory reporting, permit compliance, certification renewals, and other legally required submissions, supplemented by audit logs and operational performance reviews.

Re-assurance and prioritisation are performed through dedicated DMA sessions, where segment-specific impacts are reviewed collectively by internal experts and operational managers. These sessions verify the completeness of identified topics, confirm measurement data, and apply the Group's materiality scoring to determine priority. The process relies on collective knowledge of operational teams and measurable performance data, avoiding speculative or unverifiable

impacts. Given the Group's scale and precedent within its sectors, the process captures all relevant industry-related topics. Only impacts supported by verifiable evidence and consistent with market experience are included.

### HOW PROCESS FOCUSES ON SPECIFIC ACTIVITIES, BUSINESS RELATIONSHIPS, GEOGRAPHIES OR OTHER FACTORS THAT GIVE RISE TO HEIGHTENED RISK OF ADVERSE IMPACTS

(ESRS 2 | IRO-1 53 b i)

The process focuses on activities, business relationships, and geographies where the nature of operations or the structure of the value chain creates a higher risk of adverse impacts. At segment level, this includes intensive agricultural production, high-throughput food processing, and cross-border commodity trade, each subject to sector-specific regulations and performance requirements. Business relationships with suppliers of agricultural inputs, feed ingredients, packaging, and contract service providers are monitored closely where upstream practices carry environmental or social risk, or where compliance with product-specific standards is mandatory for market access.

Geographical focus is applied to operations and sourcing regions where regulatory frameworks, environmental conditions, or supply dependencies increase exposure — for example, livestock and crop production areas with stricter environmental controls, or import markets with elevated biodiversity or labour risks. These focus areas are identified through regulatory obligations, certification schemes, and historical operational data.

The Group operates in a structural and traditional industry where such risks are inherent to day-to-day business operations. Heightened-risk activities and relationships are therefore subject to continuous monitoring as part of normal business management, supported by regular compliance checks, targeted audits, and KPI tracking. Findings are re-assessed in DMA sessions to ensure that the materiality assessment reflects the latest operational, regulatory, and market conditions.

## HOW PROCESS CONSIDERS IMPACTS WITH WHICH UNDERTAKING IS INVOLVED THROUGH OWN OPERATIONS OR AS RESULT OF BUSINESS RELATIONSHIPS

(ESRS 2 | IRO-1 53 b ii)

The process considers impacts directly, as they can be measured using operational, compliance, and performance data. For own operations, this covers all segment-specific activities, including crop and livestock production, feed and food processing, input trade, storage, and related services. These impacts are monitored through applicable regulations, permit conditions, audit logs, internal KPIs, and other routine business controls.

For business relationships, the same direct measurement approach is applied. Impacts are identified and tracked where suppliers, service providers, or customers are linked to the Group's value chain through contractual, regulatory, or certification requirements. This includes suppliers of agricultural inputs, raw materials, packaging, and contract services, as well as downstream buyers where product standards or traceability obligations create connected impacts. Monitoring draws on supplier audits, certification records, traceability systems, and customer compliance checks.

Integration into DMA: Information collected through these measurement processes is transferred into the double materiality assessment (DMA). Each identified impact is reviewed in DMA workshops, where operational managers and field experts score it for scope, scale, and likelihood. Business relationship impacts (e.g. fertiliser suppliers, contract processors, transport providers) are weighted alongside own-operations impacts to ensure comparability. Impacts that exceed defined thresholds are elevated into the consolidated list of material matters.

This is not only a formal DMA exercise: assessments draw heavily on field-level knowledge and real-life operational experience. Agronomists, veterinarians, site managers, and supply-chain specialists provide direct evidence from farming plots, poultry houses, grain elevators, and logistics channels. Their observations of crop conditions, animal health, soil resilience, or supplier practices are systematically brought into the DMA process, ensuring that results are grounded in actual operational realities and not based on speculative or unverifiable assumptions.

## HOW PROCESS INCLUDES CONSULTATION WITH AFFECTED STAKEHOLDERS TO UNDERSTAND HOW THEY MAY BE IMPACTED AND WITH EXTERNAL EXPERTS

(ESRS 2 | IRO-1 53 b iii)

The Group's consultation with affected stakeholders is not an occasional exercise but an ongoing part of business operations. The Group is tightly integrated into multiple supply chains and interacts with a wide range of stakeholders on a structural basis. This integration enables clear, direct, and often highly specific communication of expectations — extending to product performance, packaging formats and materials, workforce practices, site culture, and other operational details. Engagement occurs through formal mechanisms such as contractual arrangements, certification audits, buyer protocols, supplier onboarding, and regulatory inspections, as well as through routine operational coordination with customers, suppliers, employees, and community representatives.

External expertise is incorporated through the participation of a consultant experienced in ESRS and CSRD implementation, who leads DMA sessions to ensure methodological consistency and alignment with regulatory requirements. Additional expert input comes from certification bodies, regulatory authorities, and industry-specific auditors, providing verified evidence and sector benchmarking.

This structured and embedded engagement model ensures that stakeholder feedback and independent expert assessments are continuously reflected in the identification and prioritisation of impacts, with a focus on verifiable and measurable matters relevant to the Group's operations and value chain.

HOW PROCESS PRIORITISES NEGATIVE IMPACTS BASED ON THEIR RELATIVE SEVERITY AND LIKELIHOOD AND POSITIVE IMPACTS BASED ON THEIR RELATIVE SCALE, SCOPE AND LIKELIHOOD AND DETERMINES WHICH SUSTAINABILITY MATTERS ARE MATERIAL FOR REPORTING PURPOSES

(ESRS 2 | IRO-1 53 b iv)

Negative impacts are prioritised using the Group's scoring methodology, which evaluates scope, scale, irremediability, and likelihood on a 1–4 scale. Each component is scored using measurable operational and compliance data, with clear definitions differentiating between actual and potential impacts. The final impact materiality score is the average of the four components, and higher scores indicate greater relative severity and probability of occurrence.

Positive impacts are prioritised using the same structured approach, with emphasis on their scale, scope, and likelihood of occurrence. Scoring reflects the breadth of stakeholders or environments affected, the magnitude of the beneficial outcome, and the probability of it being achieved under existing operational and market conditions.

Conservative measures are applied to ensure that negative impacts are not minimised and positive impacts are not overstated. Materiality thresholds are applied consistently across segments: a score of 2.5 or higher on either axis of the materiality matrix qualifies a matter as material, with additional combinations recognised under the Group's semicircle threshold rule. Only impacts supported by verifiable evidence and measurable performance data are considered.

The final determination of material sustainability matters for reporting purposes combines these scoring outcomes with governance-level review in DMA sessions. This ensures that results reflect both quantitative prioritisation and operational reality, and that no speculative or unverified topics are included.

## PROCESS USED TO IDENTIFY, ASSESS, PRIORITISE AND MONITOR RISKS AND OPPORTUNITIES THAT HAVE OR MAY HAVE FINANCIAL EFFECTS

(ESRS 2 | IRO-1 53 c)

The Group identifies, assesses, prioritises, and monitors risks and opportunities with potential financial effects through a structured double materiality process, integrating both impact and financial perspectives. The assessment is performed at segment level using standardised scoring rules and is consolidated at Group level in accordance with the methodology set out in the Group's materiality framework.

Financial materiality is determined by evaluating potential risks and opportunities against two core parameters: likelihood of occurrence and estimated magnitude of financial effect on normalised EBITDA, cash flows, access to finance, or cost of capital. Likelihood is scored using evidence from historical trends, sectoral benchmarks, and scenario-based assumptions. Magnitude thresholds are set by reference to both absolute and relative financial effect, using the Group's defined EBITDA ranges for each segment.

Risks and opportunities are first identified through internal operational reviews, permit and compliance monitoring, market analysis, and ongoing stakeholder engagement. This is supplemented by systematic screening for regulatory, market, technological, and climate-related developments that could materially alter cost structures, market access, or operational continuity. Identified items are linked to specific sustainability matters and scored individually for magnitude and likelihood. Where multiple segments are exposed to the same matter, financial effects are consolidated per Group methodology, ensuring no artificial aggregation of unrelated exposures.

Prioritisation is achieved by mapping scored items into a financial materiality matrix, ensuring that matters exceeding the defined materiality threshold (≥ 2.5 or equivalent under the Group's semicircle rule) are advanced for governance review. This review is performed by the Board, with inputs from segment managers and the Group Treasury and Sustainability unit under Finance and Risk Management Department.

Monitoring of material financial risks and opportunities is embedded into existing business management and reporting cycles. Segment managers track relevant indicators, regulatory developments, and market signals on an ongoing basis, reporting changes in likelihood, magnitude, or exposure. Group-level consolidation

is updated at least annually, and more frequently where significant operational or market changes occur. This monitoring ensures that material financial risks and opportunities remain current and that emerging issues are incorporated into planning, investment timing, and disclosure processes.

## HOW CONNECTIONS OF IMPACTS AND DEPENDENCIES WITH RISKS AND OPPORTUNITIES THAT MAY ARISE FROM THOSE IMPACTS AND DEPENDENCIES HAVE BEEN CONSIDERED

(ESRS 2 | IRO-1 53 c i)

The Group's assessment process explicitly distinguishes between:

- · impacts that generate risks or opportunities through direct operational consequences, and
- dependencies that create exposure without a preceding material impact.

Connections are established by tracing the operational pathways linking an impact or dependency to potential changes in revenue, cost, or asset usability. For each sustainability matter identified as material, the analysis determines whether:

- the impact itself is the driver (e.g., emissions triggering compliance cost),
- the dependency is the driver (e.g., reliance on regulated inputs), or
- both conditions act together to influence risk or opportunity profiles.

This connection mapping is performed at segment level using evidence from supply chain data, input availability, and regulatory conditions. Only linkages with a demonstrable causal route to a change in business conditions are retained for consolidation. Matters without a credible connection are excluded from the financial materiality evaluation, even if they remain material from an impact perspective.

## LIKELIHOOD, MAGNITUDE, AND NATURE OF EFFECTS OF IDENTIFIED RISKS AND OPPORTUNITIES HAVE BEEN ASSESSED (ESRS 2 | IRO-1 53 c ii)

For each identified risk or opportunity, the Group applies a dimensional assessment covering likelihood, magnitude, and nature of effects.

- Likelihood is determined using evidence from operational history, sectoral incident frequencies, regulatory change patterns, and forward-looking scenario inputs. Probability scores are assigned on a defined scale, considering both observed recurrence and plausible future triggers.
- Magnitude is measured by estimating the potential variation in segment-normalised EBITDA, direct cash flows, or cost of capital, benchmarked against the Group's financial materiality thresholds. Estimates reflect the full potential effect within the relevant time horizon, without assuming risk-mitigation outcomes.

 Nature of effects captures whether the change would be adverse, beneficial, or mixed, and whether the impact is expected to be abrupt (event-driven) or cumulative over time. This distinction informs whether the matter is addressed through contingency planning, structural investment, or opportunity development.

The evaluation is carried out at the most specific level possible — site, asset, or segment — before consolidation at Group level. Scores and classifications are reviewed collectively to ensure comparability across different risk and opportunity types. The consolidated results are then positioned in the double materiality matrix, where the horizontal axis represents impact materiality and the vertical axis represents financial materiality.

### HOW SUSTAINABILITY-RELATED RISKS RELATIVE TO OTHER TYPES OF RISKS HAVE BEEN PRIORITISED

(ESRS 2 | IRO-1 53 c iii)

Sustainability-related risks are prioritised within the Group's overall risk universe by assessing their potential to disrupt operational continuity, regulatory compliance, or market access, and comparing these outcomes to the effects of non-sustainability risks such as financial, credit, or strategic risks.

The prioritisation process applies a unified scoring framework, allowing direct comparison between sustainability-related and other risk categories. Scoring is based on the same magnitude and likelihood scales but adjusted to reflect the longer time horizons and systemic characteristics often inherent in sustainability risks. This ensures that risks with slower onset but high irreversibility are not understated relative to acute, short-term risks from other categories.

Risks are elevated in priority where sustainability factors are identified as amplifiers of other risk types — for example, climate-related hazards increasing supply chain vulnerability, or regulatory changes affecting debt covenant compliance. The resulting prioritisation list is reviewed alongside the Group's integrated risk register to ensure that sustainability-related risks with comparable financial or operational impact receive equivalent management attention and resource allocation.

### DESCRIPTION OF DECISION-MAKING PROCESS AND RELATED INTERNAL CONTROL PROCEDURES

(ESRS 2 | IRO-1 53 d)

Decisions on material impacts, risks, and opportunities are made through a structured process that combines segment-level input with Group-level governance oversight. Each segment conducts its own assessment in line with the Group's scoring methodology and submits results, supporting evidence, and proposed actions to the Group Treasury and Sustainability unit under Finance and Risk Management Department.

The Treasury and Sustainability unit consolidates and validates submissions, ensuring alignment with defined thresholds, scenario assumptions, and applicable ESRS disclosure requirements. This consolidated output is presented to the Board, which has the authority to approve prioritisation, allocate resources, and initiate strategic or operational responses.

Internal control procedures include:

- verification of input data by operational managers before submission;
- cross-checks against compliance registers, audit findings, and certification requirements;
- consistency checks to prevent misclassification of risks or opportunities; and
- documented sign-off at each review stage to ensure traceability of decisions.

All decisions and their supporting records are maintained within the Group's central reporting system, enabling audit review and continuity in subsequent reporting cycles.

### INTEGRATION OF PROCESSES TO IDENTIFY, ASSESS AND MANAGE IMPACTS, RISKS AND OPPORTUNITIES

(ESRS 2 | IRO-1 53 e-g; ESRS 2 | IRO-2 56)

The identification, assessment, and management of sustainability-related impacts and risks are embedded in the Group's overarching risk management framework. Sustainability matters follow the same procedural steps as other risk categories — including identification, scoring, governance review, and response planning — and are evaluated using consistent likelihood and magnitude scales.

Integration occurs at two levels:

- Operational segment-level risk registers incorporate sustainability-related entries alongside operational, financial, and strategic risks.
- Consolidated the central risk register includes sustainability-related risks within the total risk profile, enabling aggregated reporting to the Board and allowing prioritisation decisions to weigh sustainability and non-sustainability exposures on a comparable basis.

This integrated structure ensures that sustainability-related risks influence the Group's composite risk score, capital allocation, and strategic planning. Outputs from the double materiality assessment are a formal input into the periodic risk review process.

Sustainability-related opportunities are reviewed in the same strategic planning and investment decision cycle as other business initiatives. They are assessed for commercial feasibility and strategic fit, then incorporated into the consolidated project portfolio for capital allocation and monitoring.

The process draws on segment-level operational data, regulatory requirements, stakeholder feedback, audited compliance records, and recognised external datasets for environmental, social, and market conditions. Financial effect estimates use defined EBITDA-based magnitude thresholds, probability scales, and time horizon classifications consistent with the Group's materiality methodology.

All datapoints required under ESRS 2 Appendix B and derived from other EU legislation are included in the sustainability statement. Each is referenced in a dedicated table indicating its location by ESRS topical standard and paragraph number. Non-material datapoints are explicitly marked as "not material" in accordance with ESRS 2.56.

## LIST OF ESRS DISCLOSURE REQUIREMENTS COMPLIED WITH IN PREPARING SUSTAINABILITY STATEMENT FOLLOWING OUTCOME OF MATERIALITY ASSESSMENT

(ESRS 2 | IRO-2 56 | AR 19)

The sustainability statement includes all Disclosure Requirements determined to be material through the Group's double materiality process. A complete list, cross-referenced to each applicable ESRS topical standard and section of this statement, is provided in the annex I. Standards assessed as not material are disclosed with a brief justification.

#### EXPLANATION OF NEGATIVE MATERIALITY ASSESSMENT FOR ESRS E1 CLIMATE CHANGE

(ESRS 2 | IRO-2 57)

Climate change has been assessed as material for the Group; therefore, this provision is not applicable. Physical and transition risks, opportunities, and impacts are fully disclosed under ESRS E1. No negative materiality conclusion has been reached.

## EXPLANATION OF HOW MATERIAL INFORMATION TO BE DISCLOSED IN RELATION TO MATERIAL IMPACTS, RISKS AND OPPORTUNITIES HAS BEEN DETERMINED

(ESRS 2 | IRO-2 59)

Material information is selected from the double materiality assessment outputs, ensuring alignment with ESRS topical standards and mandatory datapoints. For each material matter, disclosures include only those datapoints relevant to the identified impacts, risks, or opportunities, based on scenario results, operational relevance, and data availability. Information that is immaterial or unrelated to the assessed matter is excluded.





### Climate change

ESRS E1

### REMUNERATION: CLIMATE CONSIDERATION LINKAGE

(ESRS E1-GOV-3 | ESRS E1-1 13 | AR 12)

As of the reporting period, the Group confirms that no climate-related considerations are factored into the remuneration of members of its administrative, management, or supervisory bodies. No part of remuneration is linked to GHG reduction targets, transition plan implementation, or adaptation-related metrics. Accordingly, 0% of the total remuneration recognised in the reporting year is tied to climate-related performance. Remuneration structures are reviewed periodically and may integrate climate-related KPIs in future revisions, but no such linkage exists at present.

#### TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION AND STATUS

(ESRS E1-1 | 14, 16a-17 | AR 1-5)

As of the reporting period, the Group has not adopted a formal, time-bound transition plan for climate change mitigation. However, operational changes responding to climate-related drivers are implemented across core activities as part of business-as-usual. These include the exclusive use of green electricity in key production facilities, the elimination of tillage in agricultural operations, and the transition to ammonia-based (NH<sub>3</sub>) refrigeration systems for freezing infrastructure (65% of total refrigerants). In parallel, the Group maintains continuous scrutiny on energy efficiency and production process optimisation. These actions contribute to a reduction in GHG emission intensity, though they are not currently governed by a formal decarbonisation framework. For clarity, the actions described above do not constitute a formal transition plan within the meaning of ESRS E1-1.

The Group confirms that no formal transition plan has been adopted, no decarbonisation targets or levers are defined, no CAPEX or OPEX is allocated, and governance bodies have not approved a transition plan. The Group acknowledges the need to align with EU climate targets and may formalise a structured transition plan in future reporting periods.

#### TYPE OF CLIMATE-RELATED RISK

(ESRS E1-SBM-3 | ESRS E1-18)

The Group has identified and assessed over 80 distinct climate-related risks across operational segments, value chain functions, and geographies, following a structured methodology aligned with ESRS E1 21(b). Risks are classified into three categories:

- Physical risks include both acute (e.g. extreme heat, flash flooding, windstorms) and chronic (e.g. sustained temperature rise, prolonged droughts, freeze—thaw cycles, seasonal humidity shifts) climate-related hazards. These risks affect infrastructure, livestock housing, processing systems, grain storage, irrigation, drying, packaging, logistics, and field access. They are assessed under four SSP scenarios using site-specific exposure and object-level hazard thresholds.
- Transition risks encompass regulatory, technological, market, and reputational drivers linked to the shift toward a climate-neutral economy. These include:
  - Regulatory risks such as CSRD-driven emissions disclosure, F-gas bans, and CAP climate conditions;
  - Technological risks such as incompatible HVAC, ventilation, and energy systems in high-consumption sites;
  - Market risks including exclusion from low-carbon supply chains, Scope 3 procurement policies, and export buyer expectations;
  - Reputational risks resulting from public perception of animal protein, synthetic inputs, tillage systems, or processed foods as high-impact or outdated.
- Systemic risks are evaluated as interconnected and multi-node failures that may cascade across operations, logistics, supply, or infrastructure. These include climate-induced grid outages affecting ventilation, concurrent cooling and transport failure in cold-chain systems, or cumulative stress across interdependent barns, silos, and energy systems. Systemic risks are explicitly modelled under SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5 scenarios using compound hazard logic, in line with AR 16.

Each risk is assigned to a geolocated object and scored using a harmonised 1–5 scale for Likelihood, Severity, and Vulnerability. Severity is defined as the average of scale, scope, and irreversibility. Vulnerability is computed from sensitivity and adaptive capacity. Risk scores are scenario-bound, horizon-specific, and traceable to the object, input data, and hazard type. Classification and evaluation follow the internal climate change resilience methodology and comply with ESRS E1-18. The risk classification outlined here forms the basis for the scenario-specific resilience analysis presented in subsequent sections.

#### **DESCRIPTION OF SCOPE OF RESILIENCE ANALYSIS**

(ESRS E1-SBM-3 | ESRS E1-19a | AR 6)

The scope of the Group's resilience analysis includes all operational and strategically relevant assets and locations across Lithuania, Latvia, and Estonia, covering the entire agricultural, food, trading, and service value chain. The assessment includes:

- All **grain elevators** (owned and operated)
- All **production sites**, including feed mills, seed processing facilities, and food production plants (both plant-based and poultry)
- All poultry farms and dairy farms
- All agricultural sites, including every individual arable land plot, with plot-level resolution
- All trading locations, logistics centres, and agromachinery service centres
- All administrative offices in Lithuania, Latvia, and Estonia
- All associated infrastructure at these sites, including cooling, heating, ventilation, wastewater, energy and structural systems.

Each asset and site is georeferenced. Risk analysis is conducted **at object level**, with no reliance on regional averaging. **All assets are assessed individually using climate scenario overlays and geospatial hazard data.** This allows for precision-level resolution beyond NUTS or municipal aggregation.

### **Excluded from scope**:

- Rented small-scale offices in Poland, Ukraine, and the United Kingdom
- Retail shops that do not hold significant stock or infrastructure and are located in multi-tenant urban buildings.

The scope includes both **directly owned** and **long-term operationally controlled** assets. It covers the full spectrum of risks required under ESRS E1, including physical (acute and chronic), transition (regulatory, technological, market, reputational), and systemic (cascading/interconnected) risks. Scenario-based assessments were applied uniformly using SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5 for time horizons 2030 (2021-2040) and 2050 (2041-2060). The analysis complies fully with ESRS E1 21(b), 19a, and AR 6.

### DISCLOSURE OF HOW RESILIENCE ANALYSIS HAS BEEN CONDUCTED

(ESRS E1-SBM-3 | E1-19b | AR 7a)

The Group conducted a structured, object-level climate resilience analysis using high-resolution environmental data and forward-looking scenario modelling. The assessment integrates physical, transition, and systemic risks across all long-term operational assets and individually georeferenced land plots.

This assessment supports the evaluation of the resilience of the Group's business model and strategy to material climate-related risks and opportunities, as required by ESRS E1-SBM-3.

Risks were modelled under four climate scenarios (SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5) and assessed against two scientifically established future time horizons:

- 2030, using the model period 2021-2040
- 2050, using the model period 2041 2060

These timeframes follow the CMIP6 framework and are used globally for risk modelling, planning, and regulatory scenario alignment. The 2030 horizon is already partially realised, with observable effects and confirmed hazard deltas affecting operational conditions. It is therefore treated not as a projection but as an unfolding operational window requiring immediate planning, investment alignment, and performance adaptation.

All climate projections are benchmarked against a defined historical reference period (2001 – 2020) to calculate full-spectrum deltas across all climate and soil-related variables. This includes (but is not limited to): temperature extremes, precipitation intensity, rainfall concentration, evapotranspiration, drought frequency and duration, humidity load, wind extremes, surface runoff, freeze – thaw cycling, and soil moisture regimes. Each risk indicator is scenario-bound, variable-specific, and compared directly to its historic trend baseline.

All risks are assessed individually, for each scenario and each time horizon. The analysis does not estimate how many risks may materialise, nor does it aggregate or blend scenario outputs. Each risk is treated as a discrete exposure vector under specific conditions of likelihood, intensity, sensitivity, and system response. This provides a transparent basis for consequence scoring and resilience evaluation.

Every asset is evaluated independently using full-resolution spatial and object-specific data. No part of the analysis is based on NUTS-level exposure zones, administrative units, or statistical proxies. The modelling framework used by the Group is significantly more precise, technically accurate, and analytically superior to any form of regionalised climate exposure estimation. Asset-level georeferencing ensures direct hazard-to-impact correlation and enables object-specific decision-making. The list of asset categories covered is provided in the preceding section *Description of Scope of Resilience Analysis*.

Asset conditions and functional systems are evaluated physically and technically. This includes thermal load tolerance, ventilation, insulation, backup systems, slope and drainage, substructure risk, infrastructure dependency, cooling system resilience, and vulnerability to structural fatigue or thermal degradation. Where available, physical layout plans and visual site reviews were incorporated.

All relevant management practices are factored into scoring — including energy source, tillage method, refrigerants, redundancy, soil cover, infrastructure maintenance, and irrigation or drainage regimes — and weighted accordingly in the adaptive capacity index.

The output of this resilience analysis directly informs the Group's adaptation planning, prioritisation of mitigation measures, scenario-specific CAPEX decisions, and business continuity risk management.

#### **Risk scoring structure:**

Table 1 Climate change risk scoring

Component	Definition	Scale
Likelihood	Scenario-specific hazard probability	1-5
Severity	Average of scale, scope, and irreversibility	1-5
Vulnerability	Average of sensitivity and (6 – adaptive capacity)	1-5
Risk Score	Likelihood × Severity × Vulnerability	1-125

Classification: 1-25 Low (monitor only); 26-50 Moderate (scenario-limited); 51-74 High (operational relevance confirmed); 75-125 Very High (likely material; subject to disclosure, CAPEX, mitigation, or exit decision).

Conservative classification is systematically applied. Where scoring ambiguity exists — due to uncertainty in hazard frequency, infrastructure sensitivity, or control system reliability — the higher class is assigned. No potential exposure is downplayed or excluded without structured justification.

Resilience outcomes are evaluated for potential financial materiality, in line with the Group's double materiality process and ESRS E1-SBM-1.

While this disclosure focuses on physical risk resilience, transition risks — including carbon pricing, regulatory constraints, and market shifts — are assessed through a complementary framework disclosed under ESRS E1-5.

Data coverage extends to end-of-century projections (2081–2100) under all four SSP scenarios. While these are available and retained for forward analysis, they are not used in this assessment due to their speculative nature and limited alignment with current EU reporting requirements. The Group deliberately limits this analysis to policy-relevant and scenario-credible timeframes only.

All scoring outputs, object references, source inputs, assumptions, and modelling overlays are stored in full resolution and are traceable to the asset level.

### **DATE OF RESILIENCE ANALYSIS**

(ESRS E1-SBM-3 | 19b | AR 7a)

The resilience analysis was conducted in Q2 2025, with internal validation completed in July 2025. All inputs, scenario data, asset scoring, and methodology were locked as of that date. The timing of the analysis is consistent with the 2024/2025 reporting cycle, and the Group plans to update the assessment on a regular basis to ensure alignment with future reporting periods and evolving scenario data.

### TIME HORIZONS APPLIED FOR RESILIENCE ANALYSIS

(ESRS E1-SBM-3 | AR 7b)

Two scientifically validated climate timeframes were applied in full alignment with the CMIP6 modelling structure:

- 2030 time horizon: modelled using the full-period 2021-2040
- 2050 time horizon: modelled using the full-period 2041 2060

These time horizons are applied consistently across all four scenarios (SSP1 – 2.6, SSP2 – 4.5, SSP3 – 7.0, SSP5 – 8.5) and are matched to object-level scoring outputs. Deltas are calculated against the 2001 – 2020 reference baseline.

#### **RESILIENCE ANALYSIS RESULTS**

(ESRS E1-SBM-3 | E1 19(c) | AR 8a)

#### TRANSITION RISKS

#### SCENARIO RESULTS: SSP1-2.6

Regulatory risks score the highest in SSP1-2.6, since this scenario assumes strong institutions and a sustainable path. According to our analysis, methane and nitrate-related regulations are deemed material for farming and the trade of fertilisers. A wide range of risks related to increased compliance are scored above 50 for all business segments, with an upward trend toward 2050. These include input traceability, restrictions on synthetic fertilisers, emissions disclosure obligations, and replacement of refrigerant systems. While most of these requirements are already present under CAP, CSRD, and the F-gas Regulation, the scenario assumes strict and immediate enforcement, removing transitional flexibility.

The Farming segment faces material risk exposure from binding nutrient ceilings, fertiliser classification, emissions accounting, and transparency requirements that directly affect production activities. Food Products are affected by disclosure rules, energy system thresholds, and supply chain data requirements. Partners for Farmers are exposed through compliance obligations linked to the inputs and services they provide, especially when these are integrated into buyers' sustainability systems. All activities are affected to some extent, since reporting, traceability, and audit demands increase across the value chain.

Risks related to public perception and reputational pressure are projected to become increasingly relevant across all segments, especially those connected to livestock, chemical inputs, and energy-intensive operations. These risks are expected to grow toward 2050, as public scrutiny, customer expectations, and financing criteria evolve to favour producers with measurable climate performance.

#### SCENARIO RESULTS - SSP2-4.5

Regulatory risks are present but less intense in SSP2-4.5, as this scenario assumes moderate policy ambition and slower, more uneven implementation of climate measures. While key instruments such as CAP and CSRD remain in place, enforcement is phased, adapted, or inconsistently applied across member states and sectors. According to our analysis, risks related to fertiliser use, emissions reporting, refrigerant infrastructure, and traceability requirements remain relevant across all business segments, but risk scoring is milder in this scenario, especially in 2030. By 2050, a subset of these risks reach materiality thresholds, particularly where enforcement aligns with maturing procurement and data disclosure practices.

The Farming segment becomes increasingly exposed toward 2050 due to delayed but eventually binding fertiliser classification and nutrient documentation. Food Products face mounting technological risks — particularly where older cooling and drying systems no longer meet energy or leak proofing expectations. Technology-driven adaptation costs rise over time as voluntary buyer standards harden into procurement filters. Partners for Farmers face expectations for emissions-linked advisory services, digital traceability platforms, and input compliance verification. All activities are affected by the cumulative complexity of compliance and infrastructure renewal — particularly where legal and reputational requirements begin to overlap.

Risks related to public perception and reputational pressure increase steadily across the scenario. By 2050, reputational pressure becomes a key driver of material exposure — especially for livestock operations, synthetic inputs, and carbon-intensive packaging. Even in the absence of strict regulatory enforcement, buyers and customers apply performance-based selection criteria that create tangible commercial consequences.

#### SCENARIO RESULTS: SSP3-7.0

Compared to the other scenarios, SSP3-7.0 generates the lowest overall transition risk scores in regulation-related and public perception categories. This scenario assumes weak institutional alignment, limited climate policy ambition, and fragmented enforcement across regions and sectors. No harmonised regulatory framework emerges, and legal obligations such as emissions reporting, fertiliser controls, and refrigerant replacement are either absent or inconsistently applied. Risk scores remain well below materiality thresholds in both 2030 and 2050 for all business segments.

However, technology-related risks show a clear upward trend by 2050. In SSP3-7.0, the physical impacts of climate change intensify without parallel investment or policy-driven system replacement. Long-lived infrastructure such as cooling, drying, and ventilation systems remain in place, but their functional performance deteriorates under higher temperature loads and increased operating stress. In accordance with ESRS E1 21(b), these risks are assessed independently of current mitigation or adaptation measures. Scoring reflects the projected probability of occurrence (likelihood), the magnitude of disruption to critical operations (severity), and the level of vulnerability — calculated as a function of system sensitivity and adaptive capacity — under scenario conditions.

The Food Products and Farming segments show the most consistent increase in risk scores due to reliance on energy-intensive systems and exposure to climate-sensitive infrastructure. While no risks cross the materiality threshold, classification increases are observed, and several cases reach the High range in 2050. These reflect unmanaged transition risk driven not by regulation or perception, but by declining system suitability under intensifying climatic stress.

Public perception and reputational risks remain negligible under SSP3-7.0. Due to the absence of institutional coordination and mandatory sustainability standards, customer expectations, investor requirements, and procurement filters do not emerge as meaningful risk drivers. Transition risk in this scenario remains technically latent but operationally exposed — with rising performance risk embedded in infrastructure systems that are no longer designed for prevailing conditions.

#### SCENARIO RESULTS: SSP5-8.5

SSP5-8.5 represents a high-emissions world with delayed and inconsistent transition. Regulatory risk remains low across both time horizons, and public expectations do not emerge as pressure factors. Most risks score in the Low to Moderate range in 2030. However, by 2050, technology-related risks rise sharply – especially where infrastructure is no longer suited to extreme temperatures, energy volatility, or continuous load.

Long-lived systems such as ventilation, cooling, drying, and emissions infrastructure are exposed to increased operational failure, downtime, or performance loss. These risks are classified under ESRS E1 21(b) based on their likelihood, functional severity, and vulnerability in scenario conditions. Farming and Food Products are most affected, with multiple risks reaching High classification due to temperature-driven strain and lack of adaptation. Partners for Farmers are less exposed but may be indirectly impacted through outdated systems, product degradation, or rising energy dependency.

Public perception and buyer-driven risks do not function as drivers in SSP5-8.5. Instead, transition pressure emerges from deteriorating technical fitness: systems remain legally acceptable but can no longer operate effectively. Risk shifts from compliance to performance, and mitigation is neither required nor incentivised. Business pressure emerges from physical exposure and infrastructure degradation, not from external expectations.

#### PHYSICAL RISK RESULTS: SOIL-RELATED EXPOSURES

Nine physical risks related to soil structure, fertility, and functional resilience were assessed at the level of each managed land plot — including both owned and rented areas — under all SSP scenarios and both 2030 and 2050 time horizons. Risk scoring was conducted using the ESRS E1 21(b) methodology, based on scenario-specific likelihood, severity, and vulnerability. Each risk reflects the interaction between future climate conditions and local soil properties, evaluated per plot using harmonised inputs.

Soil attributes used in the analysis included Silt Content, Clay Content, Soil Organic Matter (SOM), Soil Nitrogen, Soil pH, Coarse Fragments, Bulk Density, Sand Content, and Cation Exchange Capacity (CEC). These were sourced from the SoilGrids250m v2.0 dataset (ISRIC, 2020) and spatially matched to plot boundaries at 250m resolution. Climate variables were derived from SSP-aligned scenario projections and include seasonal and annual precipitation, evapotranspiration, runoff potential, and temperature extremes, allowing risk scoring to reflect the full dynamic between soil retention properties and projected climate stressors.

The nine risks capture key failure modes such as reduced infiltration capacity, topsoil erosion sensitivity, nutrient retention decline, compaction, and instability of pH or nitrogen cycling. Across all land plots, all risks returned Low or Moderate scores, with no material risks identified under any climate scenario. Risk 1, related to decline in water retention potential, showed the widest spatial impact, reaching Moderate classification under SSP5-8.5 in both horizons, affecting up to 4,000 hectares. Under SSP2-4.5 and SSP3-7.0, approximately 2,460 hectares are affected, and under SSP1-2.6, 4,500 hectares are projected to reach Moderate level in 2030.

Moderate scores were concentrated in areas with slightly lower organic matter, lower silt content, or higher sand proportion, particularly in parts of Kėdainių district. These differences are statistically observable but not material. All soils are projected to remain within viable agronomic thresholds, and no plots are at risk of stranding or irreversible fertility loss in any scenario or time horizon.

#### EXPLANATORY NOTE ON SOIL STRUCTURE AND LOW RISK EXPOSURE

The overall distribution of physical risk scores across the Group's land portfolio reflects the structural characteristics of the soils in use. Based on a harmonised analysis of all managed plots (owned and rented), the following soil quality indicators explain the low-to-moderate exposure levels observed across all nine assessed risks.

Soil Organic Matter (SOM) averages 19.8%, with a median of 17.5%, and no plot falling below 3.2%, providing strong biological buffering, water retention, and structural resilience. Sand content averages 42.1%, with a minimum of 31.4%, indicating that most fields avoid extreme drainage or drought sensitivity. Clay and silt contents average 23.8% and 34.1% respectively, supporting balanced soil texture and moderate resistance to cracking, erosion, and compaction.

Cation Exchange Capacity (CEC) values average 15.6, with a minimum of 7.4, suggesting that the vast majority of soils retain adequate nutrient buffering and acid neutralisation potential. Soil pH values remain near-neutral throughout the portfolio (average 7.32, minimum 5.8), with no systemic acidification risk. Bulk density averages 1.63 g/cm³, with a minimum of 1.48, remaining below common compaction risk thresholds. Coarse fragment content is low, averaging 7.4%, further improving infiltration and seedbed consistency.

Taken together, these values result in Low or Moderate risk scores across all physical risks, even under high-emission scenarios. Most soils exhibit low sensitivity, high adaptive capacity, and minimal irreversibility, with no functional indicators suggesting a risk of permanent degradation, yield stranding, or soil system collapse.

#### SYSTEMATIC RISKS: EXPECTED CHANGES IN TERRESTRIAL ECOSYSTEMS

To assess systematic risks arising from large-scale ecological change, the Group used the World Terrestrial Ecosystems (WTE) dataset, which classifies land into projected ecosystem types based on climate, landform, and vegetation. The dataset was applied independently to identify where terrestrial ecosystems are expected to shift by 2050 under SSP1-2.6, SSP3-7.0, and SSP5-8.5. These shifts serve as indicators of potential biome-scale transformation, including transitions

toward drier, degraded, or structurally simplified systems. The tool is used to identify spatial patterns of ecological change that could affect the Group's business model, particularly where land viability, environmental service stability, or long-term system functioning may be impacted.

#### PROCESS IN RELATION TO IMPACTS ON CLIMATE CHANGE

(ESRS E1.IRO-1 | 20a, AR 9 | AR 10)

The Group has established a formal GHG accounting process to assess how its operations impact climate change, in line with ESRS E1 20(a) and AR 9–10. The process covers direct (Scope 1), energy-related indirect (Scope 2), and value chain-related indirect (Scope 3) emissions, and applies to all consolidated companies in Lithuania, Latvia, and Estonia. It is based on the GHG Protocol, IPCC inventory guidelines, and DEFRA emission factors, with sector-specific modifications for agriculture, food production, packaging, logistics, refrigeration, and energy.

Scope 1 includes fuel combustion, livestock digestion ( $CH_4$ ), manure management ( $CH_4$ ,  $N_2O$ ), field emissions from fertilisers and residues ( $N_2O$ ), and refrigerant leakage (HFCs). Scope 2 emissions are calculated using both market- and location-based methods, primarily relying on AIB residual mix factors. Scope 3 includes emissions from purchased goods and services, upstream and downstream logistics, waste, and product use, prioritised per materiality and data quality. Consolidation rules prevent double-counting across Group companies.

Emission sources are linked to specific business activities (e.g. poultry heating, grain drying, ammonia refrigeration, synthetic fertiliser application), and all assumptions, activity data, emission factors, and conversion coefficients are traceable and documented. Detailed methodology is provided in the Group's GHG Accounting Framework.

#### PROCESS IN RELATION TO CLIMATE-RELATED PHYSICAL RISKS IN OWN OPERATIONS AND ALONG VALUE CHAIN

(ESRS E1.IRO-1 | 20b | AR 13-AR 14)

The Group has implemented a structured, scenario-based process to identify climate-related physical risks across its operations and value chain, in accordance with ESRS E1 20(b) and AR 13-14. This includes both acute (e.g. heatwaves, heavy rainfall, flooding, storms) and chronic (e.g. rising average temperatures, humidity shifts, freeze-thaw cycling, drought) hazards affecting agricultural, industrial, and infrastructure assets.

Each asset is individually georeferenced and assessed using CMIP6-aligned projections under SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5 scenarios for the 2030 and 2050 horizons. Hazards are quantified using modelled deltas for temperature extremes (BIO5, BIO10), intense rainfall (R99), seasonal water balance (BIO16), and other key indicators. Risk scoring is carried out at object level using a harmonised framework that integrates likelihood, severity (scale, scope, irreversibility), and vulnerability (sensitivity and adaptive capacity). The methodology is applied uniformly across all functional sites and asset classes.

Details on asset-level scoring, hazard selection, indicator thresholds, and scenario assumptions are provided in the section entitled **Disclosure of how resilience** analysis has been conducted (AR 7a), in compliance with ESRS E1 21(b).

### CLIMATE-RELATED HAZARDS HAVE BEEN IDENTIFIED OVER SHORT-, MEDIUM- AND LONG-TERM TIME HORIZONS

(ESRS E1.IRO-1 | AR 11a | AR 13-AR 14)

The Group has identified material climate-related hazards affecting its operations, infrastructure, and value chain using scenario-aligned projections under four climate pathways (SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5). Hazards were defined for two future time horizons: 2030 (representing 2021-2040) and 2050 (representing 2041-2060). This aligns with scientific conventions used in CMIP6 and IPCC-aligned physical risk modelling. Acute and chronic hazards include

extreme heat (BIO5), seasonal variability (BIO10), intense rainfall (R99), flood exposure, freeze-thaw cycles (BIO6, BIO7), drought, and soil-climate interactions relevant to agricultural operations. Hazard selection is consistent with sector-specific risk profiles and the spatial distribution of the Group's assets in Lithuania, Latvia, and Estonia.

Hazard identification was based on a comprehensive taxonomy covering temperature-, wind-, water- and solid mass-related hazards. Each hazard was screened for applicability, with exclusions and systemic-only cases documented together with audit-grade rationales. A full mapping is presented in Annex II.

## UNDERTAKING HAS SCREENED WHETHER ASSETS AND BUSINESS ACTIVITIES MAY BE EXPOSED TO CLIMATE-RELATED HAZARDS (ESRS E1.IRO-1 | AR 11a | AR 13-AR 14)

All operational, agricultural, and strategically relevant assets have been georeferenced and assessed individually for exposure to acute and chronic climate-related hazards. The screening includes poultry farms, grain elevators, food production sites, feed mills, logistics centres, service depots, arable land plots, and key infrastructure systems (e.g. cooling, ventilation, drying, drainage). Assets are not evaluated at regional or municipal level but assessed directly using high-resolution climate data and hazard overlays. Exposure is determined based on site-specific climate hazard deltas (e.g. ΔΒΙΟ5, ΔR99) and infrastructure attributes. Screening results inform subsequent risk scoring and are fully integrated into the Group's physical risk assessment process.

### SHORT-, MEDIUM- AND LONG-TERM TIME HORIZONS HAVE BEEN DEFINED

(ESRS E1.IRO-1 | AR 11b | AR 13-AR 14)

The Group uses the following time horizons for assessing climate-related risks and impacts:

- Short-term: 1 year
- Medium-term: 2-5 years
- Long-term: beyond 5 years, aligned with climate modelling horizons (2030 and 2050)

Short- and medium-term horizons are used for operational risk, strategic planning, and double materiality assessment. Long-term horizons are used for physical risk modelling under climate scenarios, following CMIP6 periods 2021 – 2040 and 2041 – 2060. All horizon definitions are disclosed consistently across climate-related risk and resilience disclosures in accordance with ESRS E1.

## EXTENT TO WHICH ASSETS AND BUSINESS ACTIVITIES MAY BE EXPOSED AND ARE SENSITIVE TO IDENTIFIED CLIMATE-RELATED HAZARDS HAS BEEN ASSESSED

(ESRS E1.IRO-1 | AR 11c | AR 13-AR 14)

The Group has assessed the extent of exposure and sensitivity of each asset and activity to climate-related physical hazards, using harmonised risk criteria. Exposure is defined by geospatial proximity to high-risk deltas (e.g. temperature, rainfall, humidity), while sensitivity reflects asset function, structural features, and operational reliance on environmental stability. For example, poultry farms are highly sensitive to heat and humidity; elevators to drainage failure and insulation fatigue; arable land to evapotranspiration stress and soil degradation. Each asset is assigned a quantified sensitivity score as part of the scenario-specific risk evaluation.

## IDENTIFICATION OF CLIMATE-RELATED HAZARDS AND ASSESSMENT OF EXPOSURE AND SENSITIVITY ARE INFORMED BY HIGH EMISSIONS CLIMATE SCENARIOS

(ESRS E1.IRO-1 | AR 11d | AR 13-AR 14)

All physical risk assessments are based on SSP-aligned climate scenarios, with emphasis on high-emissions pathways (SSP3-7.0 and SSP5-8.5). These scenarios reflect worst-case but plausible climate trajectories relevant to infrastructure and long-lived assets. Hazard deltas are calculated relative to a historical reference period (2001-2020) and applied to each asset under consistent modelling conditions. Use of high-emission scenarios ensures that exposure, sensitivity, and vulnerability assessments are conservative and aligned with EU-level risk screening guidance under CSRD and ESRS E1 21(b).

## PROCESS IN RELATION TO CLIMATE-RELATED TRANSITION RISKS AND OPPORTUNITIES IN OWN OPERATIONS AND ALONG VALUE CHAIN

(ESRS E1.IRO-1 | 20c | AR 13-AR 14)

The Group has implemented a structured process for identifying and evaluating climate-related transition risks and opportunities in accordance with ESRS E1 20(c) and AR 13–14. The process covers all business segments and applies across the value chain, including farming operations, production sites, logistics, input supply, trade, and end-use applications.

Transition risks are assessed by category, including regulatory (e.g. emissions disclosure, fertiliser phase-out, energy labelling), technological (e.g. HVAC system compatibility, refrigerant infrastructure), market (e.g. ESG-linked procurement, demand shifts), and reputational (e.g. societal scrutiny of livestock, tillage, or fossil-based inputs). Transition opportunities, such as GHG reduction, improved traceability, or low-carbon product positioning, are also evaluated.

Screening is conducted at segment level and refined by function and geography, based on current EU regulations (e.g. CSRD, CAP, F-gas Regulation), anticipated implementation paths, buyer expectations, and sustainability trends. Segment-level exposures are classified as material where they meet likelihood and impact thresholds over short-, medium-, or long-term horizons. Emissions pricing, nutrient management, traceability requirements, and cooling infrastructure are among the most frequently identified transition risk vectors. The Group applies these results in strategic investment screening, product development, supplier engagement, and GHG footprint management.

# EXPLANATION OF HOW CLIMATE-RELATED SCENARIO ANALYSIS HAS BEEN USED TO INFORM IDENTIFICATION AND ASSESSMENT OF PHYSICAL RISKS OVER SHORT, MEDIUM AND LONG-TERM

(ESRS E1.IRO-1 | 21 | AR 13-AR 14)

Full methodology and scenario alignment are described under *Disclosure of how resilience analysis has been conducted (AR 7a)*. Results are used to classify physical risk relevance, inform adaptation planning, and support capital investment prioritisation in accordance with ESRS E1 21(b).

### TRANSITION EVENTS HAVE BEEN IDENTIFIED OVER SHORT-, MEDIUM- AND LONG-TERM TIME HORIZONS

(ESRS E1.IRO-1 | AR 12a | AR 13-AR 14)

The Group has identified transition events across all business segments, based on expected regulatory, technological, market, and reputational developments relevant to a climate-neutral economy. These events have been mapped to three internal time horizons consistent with Group-level planning and scenario analysis: short-term (1 year), medium-term (2–5 years), and long-term (beyond 5 years).

- Short-term events (1 year)
  - o Mandatory reduction of methane and ammonia emissions under NEC ceilings and the EU Methane Strategy.
  - o Compliance with CSRD and ESRS requirements for Scope 1-3 disclosure.
  - o Exposure to carbon pricing for electricity and feed inputs under EU ETS Phase IV.
  - o Fertiliser and PPP restrictions affecting Partners for Farmers input trade.
- Medium-term events (2-5 years)
  - o Transition to low-carbon refrigeration systems in Food Products.
  - o Energy efficiency upgrades in heat and processing systems.
  - o Feed reformulation and sourcing adjustments to comply with the EU Deforestation-Free Regulation.
  - o Packaging redesign in line with EU recyclability and reuse targets.
  - o Uptake of precision agronomy and digital advisory services.
- Long-term events (>5 years)
  - o Grain market volatility and systemic exposure to climate-driven yield shifts.
  - o Structural changes in consumer demand towards low-carbon food products.
  - o Increased financing costs and lending conditions linked to sustainability KPIs.
  - o Heightened NGO, retailer, and investor scrutiny of agricultural inputs and emissions performance.

These mapped transition events are derived from the Group's risk log (46 identified risks) and corresponding scenario-based scores, ensuring coverage of all business segments: Partners for Farmers, Farming, Food production, and Other products and services.

## UNDERTAKING HAS SCREENED WHETHER ASSETS AND BUSINESS ACTIVITIES MAY BE EXPOSED TO TRANSITION EVENTS (ESRS E1.IRO-1 | AR 12a | AR 13-AR 14)

Transition exposure screening was conducted by segment and activity. Assets were screened for alignment with evolving policy requirements (e.g. emissions disclosures, CAP conditionality), buyer demands (e.g. traceability, ESG ratings), and system compatibility (e.g. ammonia refrigeration, HVAC standards). Results are summarised in the transition risk assessment process (see 20c).

## EXTENT TO WHICH ASSETS AND BUSINESS ACTIVITIES MAY BE EXPOSED AND ARE SENSITIVE TO IDENTIFIED TRANSITION EVENTS HAS BEEN ASSESSED

(ESRS E1.IRO-1 | AR 12b | AR 13-AR 14)

Each segment was evaluated for sensitivity to transition dynamics, including emissions regulation, cooling infrastructure standards, and input classification (e.g. fertilisers, packaging). Food Products and Farming are highly sensitive to regulatory tightening and buyer criteria. Partners for Farmers is sensitive to indirect risk passed through customer systems and procurement filters. Assessment results feed into scenario-specific vulnerability scoring.

## IDENTIFICATION OF TRANSITION EVENTS AND ASSESSMENT OF EXPOSURE HAS BEEN INFORMED BY CLIMATE-RELATED SCENARIO ANALYSIS

(ESRS E1.IRO-1 | AR 12c | AR 13-AR 14)

Transition risks were assessed under four SSP-aligned climate pathways (SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5), reflecting diverging assumptions on policy ambition, technological readiness, and institutional enforcement. Scenario-specific assumptions inform likelihood and risk intensity scores. Transition-related scenario results are disclosed under **Resilience Analysis Results** (see AR 8a).

## ASSETS AND BUSINESS ACTIVITIES THAT ARE INCOMPATIBLE WITH OR NEED SIGNIFICANT EFFORTS TO BE COMPATIBLE WITH TRANSITION TO CLIMATE-NEUTRAL ECONOMY HAVE BEEN IDENTIFIED

(ESRS E1.IRO-1 | AR 12d | AR 13-AR 14)

The Group has identified assets and activities requiring significant transition effort, including livestock operations (methane, manure), energy-intensive processing infrastructure, grain drying systems using fossil fuels, and cooling systems reliant on high-GWP refrigerants. While many of these are partially mitigated by operational changes (e.g. ammonia cooling, no-tillage), full compatibility with 1.5°C-aligned transition pathways would require capital investment, process redesign, or product adaptation.

# HOW CLIMATE-RELATED SCENARIO ANALYSIS HAS BEEN USED TO INFORM IDENTIFICATION AND ASSESSMENT OF TRANSITION RISKS AND OPPORTUNITIES OVER SHORT, MEDIUM AND LONG-TERM

(ESRS E1.IRO-1 | 21 | AR 13-AR 14)

The Group has applied climate-related scenario analysis to inform the identification and assessment of transition risks and opportunities over short (1 year), medium (2–5 years), and long-term (2030 and 2050) horizons. The analysis was conducted using SSP1–2.6, SSP2–4.5, SSP3–7.0, and SSP5–8.5 scenarios, which reflect different trajectories of climate policy ambition, technological development, and institutional alignment.

Each scenario was used to evaluate segment-level exposure to regulatory tightening, technological obsolescence, market access constraints, and reputational pressures. SSP1-2.6 assumes rapid enforcement of EU climate regulations and high disclosure expectations, resulting in strong regulatory and reputational risks. SSP2-4.5 reflects phased implementation, while SSP3-7.0 and SSP5-8.5 present limited institutional alignment, with transition risk driven primarily by performance degradation or infrastructure mismatch.

The scenario outputs inform likelihood and materiality scoring across transition risk types. Assessed risks include emissions pricing, synthetic input restrictions, refrigerant regulation, Scope 3 reporting demands, and pressure to comply with ESG-based procurement. Transition opportunities — such as access to low-emission markets and product repositioning — are likewise assessed per scenario. Full transition risk results by scenario are presented in the **Resilience Analysis Results** section (AR 8a).

## HOW CLIMATE SCENARIOS USED ARE COMPATIBLE WITH CRITICAL CLIMATE-RELATED ASSUMPTIONS MADE IN FINANCIAL STATEMENTS

(ESRS E1.IRO-1 | AR 15 | AR 13-AR 14)

The Group confirms that no critical climate-related assumptions have been made in the financial statements. Accordingly, there are no significant differences or inconsistencies between climate scenarios used in risk analysis and assumptions applied in financial planning or asset valuation.

## POLICIES IN PLACE TO MANAGE ITS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

(ESRS E1-2 | AR 24 | MDR-P)

As of the reporting period, the Group has not adopted a standalone policy formally titled as a climate change mitigation or adaptation policy. Nevertheless, climate-related impacts, risks, and opportunities are actively managed through embedded operational procedures and segment-level governance structures.

Mitigation-related measures include the elimination of tillage across all arable land, exclusive use of certified renewable electricity in core food production facilities, and the progressive phase-out of HFC-based refrigerants in favour of ammonia-based systems. Adaptation measures include ventilation upgrades, insulation reinforcement, drainage improvements, and hazard-specific investment identified through climate scenario modelling. Although these activities are not governed under a unified policy framework, they function collectively as a comprehensive approach to climate resilience. Policy formalisation remains under evaluation in alignment with MDR-P.

#### SUSTAINABILITY MATTERS ADDRESSED BY POLICY FOR CLIMATE CHANGE

(ESRS E1-2 | AR 25 | AR 16-AR 18)

While no formal climate policy is in place, sustainability matters related to climate change are addressed through a set of defined operational practices and compliance protocols. These include:

- Elimination of tillage across all arable operations
- Procurement and use of 100% green electricity in major production facilities
- Transition to ammonia-based refrigeration systems
- Deployment of energy-efficiency technologies in ventilation, cooling, and lighting
- Full-scope GHG accounting and segment-level mitigation tracking

These practices reflect the matters listed in AR 16 through AR 18, and are implemented as part of standard operations in all segments. Their purpose is to reduce GHG emissions, minimise exposure to climate-related risk, and maintain resilience under evolving EU sustainability criteria.

### DISCLOSURES TO BE REPORTED IN CASE THE UNDERTAKING HAS NOT ADOPTED POLICIES

(ESRS 2 | AR 62)

The Group has not adopted a dedicated climate policy as of the reporting period. In the absence of such a policy, climate-related risks and opportunities are managed through decentralised practices embedded in segment-level operations and in compliance with EU regulatory frameworks. These include GHG emissions

accounting, refrigerant transition, infrastructure adaptation, and soil and energy management practices. The Group is currently reviewing whether formal consolidation of these practices into a single policy document is appropriate under future CSRD alignment.

### ACTIONS AND RESOURCES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

(ESRS E1-3 | 28 | MDR-A)

The Group has not adopted a formal decarbonisation plan, but multiple operational actions are in place that contribute to climate change mitigation and adaptation. These actions are embedded in segment-level business practices and apply across farming, production, and trading activities.

### Mitigation-related actions include:

- Elimination of tillage across all arable land
- Exclusive use of certified green electricity in key food production facilities
- Progressive transition from high-GWP refrigerants to ammonia-based systems
- Deployment of metering, automation, and ventilation upgrades in poultry and milling segments
- Input substitution, including reduced fertiliser dependency and soil structure preservation

#### Adaptation-related actions include:

- Object-level climate risk assessment of all infrastructure and land plots
- Installation of HVAC and drainage upgrades based on scenario exposure
- Adjusted planting and harvest timing based on climate trend analysis
- Segmented risk investment allocation aligned with hazard intensity (BIO5, R99, ΔΒΙΟ16)

These actions are implemented independently of a centralised climate transition framework but are operationally material. They are reviewed as part of the resilience analysis process and support alignment with MDR-A and AR 28.

### Partnership with iNsoil

AB Akola Group, through AB Linas Agro, has partnered with iNsoil to expand farmer access to international soil carbon programmes. The initiative combines agronomic advisory services, digital monitoring (Geoface platform), and regenerative practices (no-tillage, cover cropping, crop diversification). Both external farmers and Group farming companies are included.

The Group has piloted the programme on **2,147 hectares** of its own land and extended participation to **seven farming companies covering 17,625 hectares**. Independent verification of soil carbon baselines and practice adoption is ongoing.

### At this stage:

- Outcomes remain pending.
- Benchmarks and certified results will be available only after third-party validation.
- No carbon removals or credits are recorded in GHG accounts.

This action is disclosed as an **emerging mitigation measure** that supports value chain resilience and future revenue opportunities for farmers but has no present effect on the Group's GHG totals.

#### **DECARBONISATION LEVER TYPE**

(ESRS E1-3 | 29a)

The Group has not adopted a formal decarbonisation plan, but emissions reduction is achieved through operational levers implemented across business segments. These include:

- Activity redesign (elimination of tillage, altered harvest timing)
- Energy source substitution (green electricity procurement, fuel efficiency improvements)
- Technology replacement (ammonia refrigeration, automated ventilation systems)
- Process optimisation (automation, metering, ventilation control)
- Input-level substitution (reduction in synthetic fertilisers, improved manure handling)

These levers are implemented at the segment level and reflect changes in both process design and infrastructure investment.

#### **ACHIEVED GHG EMISSION REDUCTIONS**

(ESRS E1-3 | 29b)

Achieved GHG emission reductions in the reporting period are attributable primarily to:

- Full transition to certified green electricity in key production facilities
- Reduced use of fossil fuel in tillage and field operations
- Improved livestock ventilation and temperature regulation
- Elimination of refrigerant leaks through ammonia system upgrades

These reductions reflect a long-term decarbonisation journey ongoing for more than five years, rather than year-on-year changes. For example, total market-based Scope 2 emissions from electricity consumption amount to 1,241 tCO<sub>2</sub>e, whereas using non-renewable electricity of the same volume would generate more than 52,000 tCO<sub>2</sub>e. In addition, the use of ammonia refrigeration systems in Lithuanian poultry operations avoids potential emissions of 8,000–15,000 tCO<sub>2</sub>e, depending on the alternative refrigerants considered.

### **EXPECTED GHG EMISSION REDUCTIONS**

(ESRS E1-3 | 29b)

Expected GHG emission reductions in future periods will be driven by:

- Continued replacement of HFC systems with ammonia-based alternatives
- Optimisation of feed, fertiliser, and manure management practices
- Incremental improvements in energy use and HVAC system efficiency
- Asset-level retrofitting based on physical risk exposure and ventilation needs

Quantitative projections are scenario-dependent. While the Group has identified potential areas for improvement and communicated these internally, the precise expected emission reductions cannot be reliably quantified.

## EXPLANATION OF EXTENT TO WHICH ABILITY TO IMPLEMENT ACTION DEPENDS ON AVAILABILITY AND ALLOCATION OF RESOURCES

(ESRS E1-3 | AR 21)

The implementation of mitigation and adaptation actions across the Group is primarily funded through recurring operational expenditure, with no separate climate CAPEX line currently identified. Resource availability is considered stable for the majority of planned and ongoing actions, including ammonia system upgrades, elimination of tillage, and ventilation improvements.

Where investment intensity is higher — for example, in large-scale insulation retrofits or HVAC replacement — allocation is evaluated as part of standard asset-level capital planning. Scenario-based physical risk assessments influence investment prioritisation. No actions have been deferred or cancelled due to financial resource constraints. However, broader financing conditions (e.g. CAP funding, energy market volatility) may affect timing and scale of future adaptation investments.

## EXPLANATION OF RELATIONSHIP OF SIGNIFICANT CAPEX AND OPEX REQUIRED TO IMPLEMENT ACTIONS TAKEN OR PLANNED TO RELEVANT LINE ITEMS OR NOTES IN FINANCIAL STATEMENTS

(ESRS E1-3 | 29ci | AR 20)

As of the reporting period, no discrete line items or explanatory notes are presented in the Group's consolidated financial statements specifically referencing climate-related CAPEX or OPEX. Investments supporting mitigation or adaptation (e.g. energy infrastructure upgrades, HVAC systems, ammonia installations) are recorded under general categories such as "buildings," "plant and machinery," or "maintenance and operations."

Although several material actions have been implemented, they are not separately disaggregated in financial disclosures. This is due to the fact that most climate-related actions to date have been absorbed within existing capital replacement or maintenance cycles. The Group is reviewing whether future disclosures may benefit from additional tagging or climate alignment.

EXPLANATION OF RELATIONSHIP OF SIGNIFICANT CAPEX AND OPEX REQUIRED TO IMPLEMENT ACTIONS TAKEN OR PLANNED TO KEY PERFORMANCE INDICATORS REQUIRED UNDER COMMISSION DELEGATED REGULATION (EU) 2021/2178

(ESRS E1-3 | 29cii,16c | AR 20)

The Group does not currently report any taxonomy-aligned CAPEX or OPEX under the Commission Delegated Regulation (EU) 2021/2178. However, the majority of climate-related actions taken to date — including refrigerant transition, ventilation retrofits, and no-tillage implementation — relate to activities classified as potentially eligible under the EU Taxonomy for sustainable activities.

Since these actions have not been framed or financed as part of a climate-specific investment plan, they are not yet linked to key performance indicators defined in the Delegated Regulation. Further review is planned to determine whether future actions will meet the thresholds for alignment and KPI inclusion.

EXPLANATION OF RELATIONSHIP OF SIGNIFICANT CAPEX AND OPEX REQUIRED TO IMPLEMENT ACTIONS TAKEN OR PLANNED TO CAPEX PLAN REQUIRED BY COMMISSION DELEGATED REGULATION (EU) 2021/2178

(ESRS E1-3 | 29ciii,16c | AR 20)

The Group has not adopted a formal CAPEX plan under Commission Delegated Regulation (EU) 2021/2178. Climate-related actions taken to date are embedded in operational or general-purpose investment budgets and are not subject to taxonomy-linked allocation or tracking.

While certain categories of future investment — including HVAC system overhaul and soil resilience infrastructure — may be considered for CAPEX plan inclusion, no current climate-related spending is reported under an EU Taxonomy-aligned capital expenditure plan. The Group may reassess this position following regulatory clarification or guidance from financial institutions and reporting platforms.

EXPLANATION OF ANY POTENTIAL DIFFERENCES BETWEEN SIGNIFICANT OPEX AND CAPEX DISCLOSED UNDER ESRS E1 AND KEY PERFORMANCE INDICATORS DISCLOSED UNDER COMMISSION DELEGATED REGULATION (EU) 2021/2178 (ESRS E1-3 | AR 22)

The Group does not currently disclose significant climate-related CAPEX or OPEX separately under ESRS E1, nor are these expenditures mapped to specific performance indicators under Commission Delegated Regulation (EU) 2021/2178. All relevant actions — including tillage elimination, refrigerant transition, and ventilation upgrades — are funded through general infrastructure and operational budgets and do not require disaggregation at the level of taxonomy-aligned KPIs.

Consequently, there are no material differences between climate-related expenditure reported under ESRS E1 and those reported under delegated taxonomy disclosures, as both are currently reported in aggregate form. The Group will revisit this disclosure structure if future investment alignment or taxonomy eligibility assessments indicate a need for disaggregated tracking or reconciliation.

DISCLOSURE TO BE REPORTED IF THE UNDERTAKING HAS NOT ADOPTED ACTIONS

(ESRS 2 | AR 62)

The Group confirms that climate-related actions are in place and actively implemented. Accordingly, this fallback disclosure under ESRS 2 AR 62 does not apply.

TRACKING EFFECTIVENESS OF POLICIES AND ACTIONS THROUGH TARGETS

(ESRS E1-4 | AR 32 | MDR-T)

The Group does not currently operate a formal transition plan and has not adopted quantitative climate-related targets beyond regulatory compliance thresholds. Effectiveness of climate actions is tracked through operational implementation metrics, such as:

- Total hectares under no-till cultivation
- Share of green electricity in total energy consumption
- Number of ammonia-based refrigeration units installed
- Asset-level adaptation scores under scenario-based physical risk assessment

Although not benchmarked against long-term mitigation targets, these metrics are internally monitored and inform investment priorities and risk management decisions. The Group is evaluating the feasibility of adopting forward-looking targets aligned with EU climate objectives and ESRS E1-4.

The Group's current GHG reduction strategy is limited to the planned substitution of fossil fuels with biomethane. **No Group-level targets rely on soil carbon programmes or external carbon credits.** 

The partnership with iNsoil is **not included in current targets**, as results remain under evaluation and verification. Future integration into Group targets will be considered only once certified benchmarks are available and recognised under EU reporting frameworks.

DISCLOSURE OF HOW GHG EMISSIONS REDUCTION TARGETS AND (OR) ANY OTHER TARGETS HAVE BEEN SET TO MANAGE MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES
(ESRS E1-4 | 33)

The Group has not adopted formal GHG emissions reduction targets or other quantitative transition targets at the Group level. Actions contributing to mitigation are implemented operationally but are not governed by a structured target-setting framework. Segment-level performance is tracked using activity-based metrics such as green electricity share, tillage elimination coverage, and refrigerant replacement rate.

No science-based targets (SBTi) or pathway-aligned carbon budgets have been approved or submitted. However, management monitors operational performance and regulatory developments that may trigger future adoption of emissions or adaptation-related targets.

The Group acknowledges the importance of target-setting in tracking effectiveness and will assess the relevance of formal targets in upcoming reporting cycles, particularly in the context of the CSRD, EU Taxonomy Regulation, and sector-specific transition planning requirements.

TABLES: MULTIPLE DIMENSIONS (BASELINE YEAR AND TARGETS; GHG TYPES, SCOPE 3 CATEGORIES, DECARBONISATION LEVERS, ENTITY-SPECIFIC DENOMINATORS FOR INTENSITY VALUE)

(ESRS E1-4 | 34a + 34 b | AR 23-AR 24)

The table below presents the dynamics of greenhouse gas emissions across Scope 1, Scope 2 (location-based and market-based), Scope 3, and total emissions for the reporting year and two comparative periods. Emissions are reported in thousand tons of  $CO_2$  equivalent. Values are expressed in absolute terms, percentage change compared to the base year, and intensity relative to economic output (tCO<sub>2</sub>e/EUREBITDA). Scope 2 is disclosed using both location-based and market-

based methods. Scope 3 includes emissions from purchased goods and services, upstream transport, feed, fertilisers, and packaging. Intensity values are based on internally consistent EBITDA methodology.

Table 2 Group level GHG emissions by scopes, 2021-2022 – 2024-2025, thous. t., AB Akola Group

Category	Unit	2024/2025	2023/2024 (previous year)	2022/2023	2021/2022	2024/2025 vs 2023/2024 (abs)
		(current year)	(previous year)		(base year)	2023/2024 (dDS)
Scope 1 GHG emissions	thousand tCO <sub>2</sub> e	146.7	137.7	135.1	133.8	6.6%
Scope 2 GHG emissions (location-based)	thousand tCO₂e	11.7	13.3	15.5	21	(12.3)%
Scope 2 GHG emissions (market-based)	thousand tCO₂e	1.5	0.5	0.7	0.3	194.4%
Scope 3 GHG emissions	thousand tCO <sub>2</sub> e	2,139.9*	542.1	551.0	552.5	294.7%
Total GHG emissions (market- based)	thousand tCO₂e	2,288.1*	680.3	686.8	686.6	236.3%

<sup>\*</sup>previous periods included only production materials within the category 1, for the reporting period, scope 3 includes all categories exluding category 2.

# HOW CONSISTENCY OF GHG EMISSION REDUCTION TARGETS WITH GHG INVENTORY BOUNDARIES HAS BEEN ENSURED

(ESRS E1-4 | 34b)

The Group's strategic goal to reduce Scope 1 and 2 GHG emissions by approximately 25,000–30,000 tCO<sub>2</sub>e is based solely on the future use of internally produced biomethane to replace fossil fuel consumption in core operations. At present, no other viable or scalable abatement options exist within the Group's operational system boundaries

# HOW IT HAS BEEN ENSURED THAT BASELINE VALUE IS REPRESENTATIVE IN TERMS OF ACTIVITIES COVERED AND INFLUENCES FROM EXTERNAL FACTORS

(ESRS E1-4 | AR 25 a)

The base year for the current GHG emissions target is 2021/2022, selected for its full alignment with Group-wide operational, financial, and environmental disclosures.

During the reporting period, the Group acquired:

- the effective share of the stock 97.27% of SIA Elagro Trade (a company operating in the field of grain, seed, plant protection, and mineral fertilizer products), aiming to achieve synergies between the existing AB Akola Group companies in expanding the Partners for farmers segment (December, 2024),
- the effective share of the stock 89.62% of SIA LABIBAS SARGS (a company operating in the field of fumigation, disinfection, and degassing services), aiming to achieve synergies between the existing AB Akola Group companies in expanding the "Other products and services" segment (December, 2024).

Other notable events to ensure all factors are counted in for comparability, are completions of investment projects, expanding operations in:

- instant noodles production, increasing capacity from 265 to 505 million units per year (second half of 2024/2025),
- coating systems production, increasing capacity from 10 to 22 thous. ton per year (second half of 2024/2025).

The effect of all the above events was limited throughout the financial year 2024/2025, either because the investment completion date fell in the second half of the reporting year, or due to the seasonal nature of the acquired business, with a more notable impact expected in the financial year 2025/2026.

# HOW NEW BASELINE VALUE AFFECTS NEW TARGET, ITS ACHIEVEMENT AND PRESENTATION OF PROGRESS OVER TIME (ESRS E1-4 | AR 25 b)

Should a future change in baseline year become necessary, such change will be disclosed alongside its rationale and quantified impact on target achievement. No changes to the baseline value have been made during the current reporting cycle. Targets, when recalculated, will be restated consistently across all relevant reporting years to allow transparent tracking of performance and progress over time.

# GHG EMISSION REDUCTION TARGET IS SCIENCE BASED AND COMPATIBLE WITH LIMITING GLOBAL WARMING TO ONE AND HALF DEGREES CELSIUS

(ESRS E1-4 | 34e,16a | AR 26)

The Group has not adopted a science-based GHG emission reduction target compatible with limiting global warming to 1.5°C. Due to the structural nature of agricultural and food production emissions, full elimination of Scope 1 and Scope 3 sources is not considered technically or economically feasible. Emissions arising from soil processes, livestock, and manure management represent biologically inherent sources that cannot be fully neutralised under current technology. Similarly, temperature regulation in poultry production, grain drying, and elevator operations remain highly dependent on fossil fuels, and viable large-scale alternatives are either not yet available or not economically feasible.

While no measurable decarbonisation trajectory has been modelled against the SSP1 – 2.6 pathway, the Group continues to assess and implement operational levers to reduce emissions where feasible. The potential adoption of science-based or policy-aligned targets remains under evaluation.

# EXPECTED DECARBONISATION LEVERS AND THEIR OVERALL QUANTITATIVE CONTRIBUTIONS TO ACHIEVE GHG EMISSION REDUCTION TARGET

(ESRS E1-4 | 34f,16b | AR 30)

The Group has already implemented the most material decarbonisation levers available within its operating model. These include the elimination of tillage across all arable land, full transition to ammonia-based refrigeration systems, exclusive use of certified green electricity in major production facilities, and input-level substitution in farming and feed segments.

As these actions have already been integrated into operations and capital planning, their further expansion is structurally limited. Possible future material decarbonisation is subject to successful implementation of biomethane plants in poultry activities. Accordingly, no additional quantitative contribution is projected under a science-based pathway. Emission reductions achieved to date are considered the practical ceiling under current technological, economic, and policy conditions.

DIVERSE RANGE OF CLIMATE SCENARIOS HAVE BEEN CONSIDERED TO DETECT RELEVANT ENVIRONMENTAL, SOCIETAL, TECHNOLOGY, MARKET AND POLICY-RELATED DEVELOPMENTS AND DETERMINE DECARBONISATION LEVERS (ESRS E1-4 | AR 30c)

Climate scenario analysis includes high-emissions and low-emissions pathways (SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5), modelled using CMIP6-aligned projections and sector-specific impacts for agriculture and food. Scenario data informed the identification of critical risk drivers and mitigation opportunities, including exposure to extreme weather, transition policy volatility, energy mix sensitivity, and EU compliance costs. These scenarios were used to prioritise the most impactful decarbonisation levers across operations.

#### TOTAL ENERGY CONSUMPTION RELATED TO OWN OPERATIONS

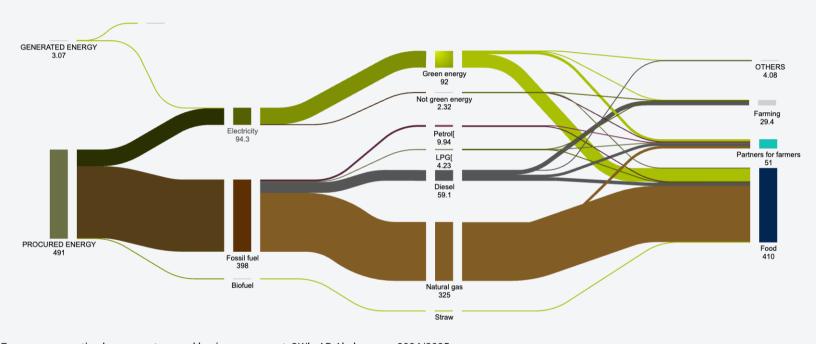
(ESRS E1-5 | 37 | AR 35)

Total energy consumption across Group operations during the reporting year was **493,791 MWh**. This figure includes electricity, thermal energy, and fuels used in poultry farming, food processing, feed production, crop cultivation, logistics, and administrative buildings. Energy consumption is calculated based on actual utility bills, verified metering, and fuel purchase data. Leased non-operated sites and externally controlled warehouses are excluded.

#### TOTAL ENERGY CONSUMPTION FROM FOSSIL SOURCES

(ESRS E1-5 | 37a | AR 33)

Fossil fuels account for **81.2**% of total energy consumption, or **397,623 MWh from fuels directly, 3,474 MWh from purchased heat and electricity.** Main fossil inputs include natural gas (used for poultry house heating and grain drying), diesel (used in transport, agromachinery, and backup systems), and LPG. The fossil share is highest in poultry operations and elevators, where temperature regulation, drying cycles, and combustion-based systems remain structurally dependent on high-density fuels. Electrification of these processes is currently infeasible at scale.



Energy consumption by source, type and business segment, GWh, AB Akola group, 2024/2025

# PERCENTAGE OF ENERGY CONSUMPTION FROM NUCLEAR SOURCES IN TOTAL ENERGY CONSUMPTION (ESRS E1-5 | AR 34) (E1-5 | 37b)

In 2024/2025, the Group's total electricity consumption amounted to **94,313 MWh**, consisting of **89,116 MWh purchased with Guarantees of Origin (GoO)**, **2,875 MWh from self-produced solar energy**, and **2,322 MWh from non-certified purchases**.

Non-certified volumes: nuclear share is taken from AIB Residual Mix 2024 for the country of consumption: LT 12.29%, LV 15.52%, EE 12.76%, PL 1.63%. This corresponds to **328 MWh** of nuclear electricity. Relative to total consumption, nuclear energy accounted for **0.35**%.

#### **ENERGY CONSUMPTION FROM RENEWABLE SOURCES**

(ESRS E1-5 | 37c-37ciii; AR 34)

In the reporting year, the Group consumed a total of **92,694 MWh** of renewable energy, representing **18.8% of total energy use** (493,791 MWh).

- Renewable fuel: 703 MWh, primarily from locally sourced biomass (straw and biomethane) used in thermal energy systems.
- Purchased renewable electricity and heat: 89,116 MWh of certified renewable electricity, backed by Guarantees of Origin or equivalent supplier declarations.
- **Self-generated renewable energy:** 2,875 MWh from on-site solar installations. Total solar generation reached 3,070 MWh, of which 195 MWh was exported to the grid.

The remaining 81.2% of consumption was supplied from fossil fuels and conventional contracts without renewable guarantees of origin.

#### FUEL AND ENERGY CONSUMPTION FROM FOSSIL SOURCES

(ESRS E1-5 | 38a-e | AR 33)

- Coal and coal products: The Group does not use coal or coal-derived fuels in any operational process. Consumption is 0 MWh.
- **Crude oil and petroleum products:** Diesel, petrol, and LPG were consumed primarily for heating, transportation, and field operations. Total consumption was **72,884 MWh**, accounting for **14.8% of total energy use**. *(of which: Diesel 59,113 MWh; Petrol 9,546 MWh; LPG 4,225 MWh).*
- Natural gas: Consumed across poultry houses, elevators, and grain drying systems. Total consumption was 324,738 MWh, or 65.8% of Group energy use.
- Other fossil sources: No other fossil fuels (e.g. peat, coke, synthetic fuels) were used. Consumption is 0 MWh.
- Purchased fossil electricity and heat: Electricity and heat purchased from fossil-based contracts without renewable certificates amounted to 3,474 MWh, related mainly to administrative or backup facilities where green electricity contracts were not available or not enforced in full.

#### PERCENTAGE OF FOSSIL SOURCES IN TOTAL ENERGY CONSUMPTION

(ESRS E1-5 | AR 34)

Fossil sources accounted for **81.2**% of total energy consumption. This includes natural gas, diesel, petrol, LPG, and minor unverified fossil-based electricity from non-certified contracts. No use of coal or other fossil fuels was recorded.

#### NON-RENEWABLE ENERGY PRODUCTION

(ESRS E1-5 | 39)

The Group does not operate any on-site facilities for the production of non-renewable energy. All fossil energy used is procured externally from suppliers via fuel contracts, utility bills, or fuel delivery.

#### RENEWABLE ENERGY PRODUCTION

(ESRS E1-5 | 39)1

Total renewable energy produced internally during the reporting year amounted to **3,070 MWh**, derived entirely from on-site solar PV installations located across farming, feed, and administrative facilities. Of this, **2,875 MWh** was consumed internally, while **195 MWh** was fed into the grid. No electricity was sold under power purchase agreements.

### ENERGY INTENSITY FROM ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS (TOTAL ENERGY CONSUMPTION PER NET REVENUE)

(ESRS E1-5 | 40 | AR 36)

Energy intensity for activities classified under high climate impact sectors was **308.6 MWh per EUR million of net revenue**. This indicator reflects the total energy consumption of Group entities engaged in agriculture, animal production, food processing, and grain storage, as defined by the EU Taxonomy Delegated Act and NACE Rev. 2 sector classifications.

#### TOTAL ENERGY CONSUMPTION FROM ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS

(ESRS E1-5 | 41-42)

Out of total energy consumption (493,791 MWh), 492,314 MWh (99.7%) were attributable to activities in high climate impact sectors. These include energy used in poultry houses, dairy farms, feed mills, crop production, grain elevators, food and pet food processing lines. The remaining 1,477 MWh (0.3%) was related to logistics, administration, and trade and services.

The following sectors are included in the scope for determining energy intensity under this disclosure:

- Crop and animal production, hunting and related service activities (NACE A.01)
- Manufacture of food products (NACE C.10)
- Storage and warehousing (NACE H.52) related to agricultural and food commodities
- Seed processing for propagation (NACE A1.6.4)
- Manufacture of prepared animal feeds (NACE C10.9)
- Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores (NACE G47.7.6)
- Other retail sale of food in specialised stores (G47.2.9)
- Repair and installation of machinery and equipment (NACE C33)

- Agents involved in the sale of machinery, industrial equipment, ships and aircraft (NACE G46.1.4)
- Wholesale of grain, unmanufactured tobacco, seeds and animal feeds (NACE G46.2.1)
- Non-specialised wholesale trade (NACE G46.9)

These sectors are considered high climate impact under the ESRS sector classification and reflect the operational focus of the Group's core business units.

# RECONCILIATION TO RELEVANT LINE ITEM OR NOTES IN FINANCIAL STATEMENTS OF NET REVENUE FROM ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS

(ESRS E1-5 | 43 | AR 38)

The net revenue used to calculate energy intensity corresponds to consolidated segment-level revenues disclosed in the Group's annual financial statements (Note 4: Segment Reporting). Revenues attributed to the "Farming", "Food Products", and "Partners for Farmers" segments are used to represent high climate impact sectors. These segments include activities classified under agriculture, livestock, feed production, grain processing, and food manufacturing. The reconciliation between sustainability metrics and financial reporting is aligned with internal cost center mapping and audited revenue disclosures.

# METHODOLOGIES, SIGNIFICANT ASSUMPTIONS AND EMISSIONS FACTORS USED TO CALCULATE OR MEASURE GHG EMISSIONS (ESRS E1-6 | AR 39b)

All greenhouse gas emissions are calculated using the GHG Protocol Corporate Standard (2004), IPCC Guidelines for National Greenhouse Gas Inventories (2006, refined 2019), DEFRA 2025 emission factors, and ISO 14064-1:2018. The operational control boundary is applied across all consolidated entities in Lithuania, Latvia, and Estonia. All emission estimates are derived from site-level activity data using externally validated emission factors, as documented in the Group's internal GHG Accounting Methodology.

**Scope 1** includes fossil fuel combustion, livestock digestion and manure management, managed soils, and refrigerant leakage. Combustion emissions (CO<sub>2</sub>) are calculated using actual fuel consumption and DEFRA 2024 emission factors based on net calorific value. Fuel use is disaggregated by process and fuel type.

Poultry emissions methodology (Tier 2, Solagro 2013). A Tier-2 approach adapted from the Solagro carbon-calculator methodology is applied to poultry. The model comprises: (i) a small enteric  $CH_4$  term (Ym = 0.6%, per Solagro) and (ii) manure  $CH_4$  and  $N_2O$  estimated from bird numbers, average live weight, nitrogen excretion, litter system, housing conditions and cycle duration. For the reporting year, the model covers 53.5 million birds (broilers and parent flocks) and is disaggregated by production system where applicable. All emissions are included in Scope 1 and converted using IPCC AR6 GWP100. Note: under IPCC 2006 poultry enteric  $CH_4$  is typically negligible; the material contribution arises from manure pathways and large numbers of birds.

Dairy emissions. For dairy cattle, CH<sub>4</sub> emissions from enteric fermentation are calculated using dry matter intake (DMI), feed digestibility, gross energy intake, and methane conversion factor (Ym), in line with IPCC Tier 2. The model incorporates lactation energy requirements, average body weight, and milk yield. Emission intensity is calculated per ton of energy-corrected milk (ECM). Manure-related CH<sub>4</sub> and N<sub>2</sub>O emissions are modelled based on excreted nitrogen, retention period, and manure management system.

Soil emissions. Soil emissions are estimated from synthetic fertilisers, organic amendments, crop residues, and nitrogen fixation. Direct  $N_2O$  emissions are calculated by nitrogen input type, application method, crop type, and soil conditions. Indirect emissions account for  $NH_3/NO_x$  volatilisation and  $NO_3^-$  leaching. Nitrogen input from legumes is included in the mineralisation component where applicable.

Refrigerant emissions. Refrigerant emissions (HFCs) are based on annual top-up volumes from poultry processing facilities. Each gas is matched to its respective GWP (DEFRA 2024). Systems converted to ammonia ( $NH_3$ ) are assumed to have zero GWP. Leakage is assumed at 100% of recharge volume unless alternative rates are documented.

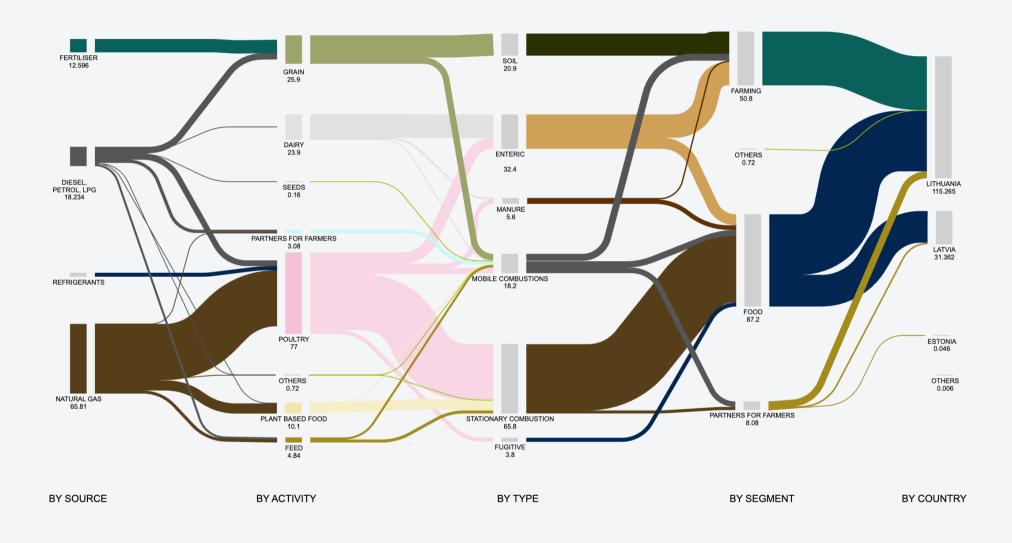
**Scope 2** emissions are calculated using both the location-based method (AIB residual mix factors by country) and the market-based method using certified Guarantees of Origin (GoOs). District heating emissions use supplier-declared factors where available. All Scope 2 data is reconciled against energy purchase records and segment-level consumption logs.

Scope 3 includes purchased goods and services (fertilisers, feed, plant protection products, packaging), upstream and downstream transport, and waste. Emissions are calculated using activity-based data and emission factors from DEFRA 2024, Solagro, and Carbon Cloud. Upstream and downstream transport are calculated using tonnage, distance, and transport mode. Waste emissions are disaggregated by waste stream and treatment pathway (e.g. composting, incineration, landfill). Capital goods, product use, and end-of-life are excluded due to immateriality or insufficient data quality, as documented in the Group's Scope 3 category assessment.

GHG emission factors for CH<sub>4</sub> and N<sub>2</sub>O are embedded in each Tier 2 module and based on IPCC AR6 values. Carbon sequestration estimates from soil organic matter are modelled using Solagro methodology and reported separately. No offsets or unverified removals are included.

### GHG EMISSIONS — BY COUNTRY AND OPERATING SEGMENTS

(ESRS E1-6 | AR 41)



SCOPE 1 GHG emissions by source, segment, type, thous. tons CO<sub>2</sub>e AB Akola Group, 2024/2025

#### **GROSS SCOPE 1 GREENHOUSE GAS EMISSIONS**

(ESRS E1-6 | 48a | AR 43)

Gross Scope 1 greenhouse gas emissions for the reporting period totalled **146.7 thousand tons CO<sub>2</sub>e**. Emissions were calculated in line with the internal methodology and include all direct GHG sources under operational control.

Table 3. Breakdown of Scope 1 emission categories:

Source Category	GHGs covered	Description
Combustion (fuel use)	CO <sub>2</sub>	Natural gas, diesel, petrol, LPG used in poultry house heating, grain dryers, agromachinery, transport, boilers
Livestock – enteric fermentation	CH₄	Methane from cattle digestion; emissions modelled per IPCC Tier 2 method
Manure management	CH <sub>4</sub> , N <sub>2</sub> O	Emissions from storage, handling, and spreading of manure (cattle and poultry)
Soil management	N <sub>2</sub> O	Direct and indirect N <sub>2</sub> O emissions from mineral fertilisers, organic residues, and manure used in crop production
Refrigerant leakage	HFCs	Leaks from industrial refrigeration and freezing systems (mainly poultry)

### Global Warming Potentials (GWP100). The Group applies IPCC AR6 values:

- CO<sub>2</sub> = 1;
- CH<sub>4</sub> (biogenic) = 27.2;
- CH<sub>4</sub> (fossil) = 29.8;
- $N_2O = 273$ .
- Gas-specific HFC/HFO GWPs follow IPCC AR6/DEFRA tables.

### Additional information:

- Ruminant emissions (enteric+manure) account for 15.9% of total Scope 1 emissions
- Poultry-related (enteric+manure) emissions account for 10.0%
- SOC (Soil Organic Carbon) sequestration was modelled separately and not deducted from Scope 1, but could represent ~21 thousand tCO<sub>2</sub>e in potential removals

Table 4. Scope 1 emissions by gases percentage breakdown, Akola Group, AB 2024/2025

Type of key GHG gases	CO <sub>2</sub>	N <sub>2</sub> 0	CH <sub>4</sub>	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> 0 / CH <sub>4</sub>	HFCs
Source	Natural gas and LPG	Soil management	Cattle enteric GHG	Fuel	Poultry enteric GHG	Manure management	Refrigerants
% share in Scope 1	45.5 %	14.2 %	15.1%	11.8%	7.1%	3.8%	2.6%

### PERCENTAGE OF SCOPE 1 GHG EMISSIONS FROM REGULATED EMISSION TRADING SCHEMES

(ESRS E1-6 | 48 b | AR 44)

The Group does not participate in the EU Emissions Trading System (EU ETS) or any national emissions trading scheme in Lithuania, Latvia, or Estonia. Therefore, the percentage of Scope 1 GHG emissions covered by regulated emission trading schemes is: **0**%

### **GROSS LOCATION-BASED SCOPE 2 GREENHOUSE GAS EMISSIONS**

(ESRS E1-6 | 49 a -b | 52 a-b | AR 45 | AR 47)

Table 5. Scope 2 GHG emissions, tCO<sub>2</sub>e, AB Akola Group, 2024/2025

	Marked based	Location based
Purchased electricity	1,241	11,436
Purchased heat	230	230
Total	1,472	11,666

This reflects the average grid mix in all geographies individually, including residual fossil and nuclear content as reported by national energy agencies and AIB statistics.

## DISCLOSURE OF THE EFFECTS OF SIGNIFICANT EVENTS AND CHANGES IN CIRCUMSTANCES

(ESRS E1-6 | AR 42c)

No significant events or changes in circumstances affecting GHG emissions were identified between the reporting dates of entities in the Group's value chain and the reporting date of the consolidated general purpose financial statements.

# BIOGENIC EMISSIONS OF CO<sub>2</sub> FROM THE COMBUSTION OR BIO-DEGRADATION OF BIOMASS NOT INCLUDED IN SCOPE 1 GHG EMISSIONS

(ESRS E1-6 | AR 43c)

Biogenic CO<sub>2</sub> emissions are reported separately under biogenic emissions and are not included in Scope 1 fossil CO<sub>2</sub> totals. These emissions are based on site-level fuel consumption data and calculated in accordance with IPCC and DEFRA methodology.

In the reporting period, biogenic emissions amounted to **42.8** tCO<sub>2</sub>e, the majority of which originated from the use of biomethane introduced in AB Kauno Grūdai, with the remainder attributable to the combustion of straw for heat generation in poultry operations. No biogenic removals or offsets are accounted for.

#### SCOPE 2 GHG EMISSIONS - CONTRACTUAL INSTRUMENTS

(ESRS E1-6 | AR 45d)

- **Percentage covered: 97.5**% of total purchased electricity was covered by supplier-issued bundled contracts with embedded Guarantees of Origin (GoO). No renewable energy instruments apply to purchased heating.
- **Types of instruments:** Only bundled electricity contracts with embedded GoO are used. The Group does not use unbundled energy attribute claims or separately traded certificates.
- **Heating: 0%** of purchased heating is covered by renewable energy contractual instruments.

# BIOGENIC EMISSIONS OF CO<sub>2</sub> FROM COMBUSTION OR BIO-DEGRADATION OF BIOMASS NOT INCLUDED IN SCOPE 2 GHG EMISSIONS (ESRS E1-6 | AR 45e)

No biogenic CO<sub>2</sub> emissions are associated with Scope 2 energy. For electricity, the Group applies **AIB market-based emission factors**, which exclude biomass combustion or bio-degradation. Emissions from purchased heat are accounted using available emission factors; while part of this energy may be generated from biofuels, the Group has no verified information on the biogenic share and does not separately identify potential biogenic emissions related to Scope 2, as these are not material compared to total emissions.

For reference, the national production mix for electricity in the reporting period included 12.60% renewables in Lithuania, 7.44% in Latvia, 22.37% in Estonia, and 4.46% in Poland. These location-based values are disclosed for transparency only and are not used for accounting purposes.

### PERCENTAGE OF GHG SCOPE 3 CALCULATED USING PRIMARY DATA

(ESRS E1-6 | AR 46 g)

58% of Scope 3 emissions are calculated using Group proxies and 10% using DEFRA and AIB factors. Scope 1 and Scope 2 data from farming, grain processing, and feed production are applied as proxies, as these factors are representative of industry activities.

Table 6. percentage of GHG scope 3 emissions calculated using Group data, AB Akola Group, 2024/2025

Category	% of emissions using Group data	tCO₂e
Category 1: Purchased goods and services	48%	649,142.2
Category 10: Processing of sold products	100%	40,766.8
Category 11: Use of sold products	100%	540,870.4
Total scope 3	58%	1,230,779.4

Table 7. percentage of GHG Scope 3 emissions calculated using DEFRA and AIB emission factors, AB Akola Group, 2024/2025

Category	% of emissions using Group data	tCO <sub>2</sub> e
Category 1: Purchased goods and services	2%	26,628.0
Category 3: Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	100%	5,257.9
Category 4: Upstream transportation and distribution	100%	121,850.2
Category 5: Waste generated in operations	100%	1,193.1
Category 6: Business travel	100%	3,641.5
Category 7: Employee commuting	100%	2,008.6
Category 9: Downstream transportation and distribution	100%	52,947.1
Category 12: End-of-life treatment of sold products	100%	2,562.5
Category 15: Investments	100%	311

The following categories are excluded: Category 2 – not calculated due to lack of data, Category 8 – reported within Scope 1 and Scope 2, Category 13 – immaterial, and Category 14 – not applicable.

# REPORTING BOUNDARIES CONSIDERED AND CALCULATION METHODS FOR ESTIMATING SCOPE 3 GHG EMISSIONS (ESRS E1-6 | AR 46 h)

Scope 3 is calculated for all consolidated companies in Lithuania, Latvia, and Estonia. Calculations use activity data from ERP procurement, transport tonnage, and waste logs, combined with emission factors from DEFRA, Solagro, and Carbon Cloud. Scope 1 and Scope 2 data from farming, grain processing, and feed production are applied as proxies where representative. Categories 2, 8, 13, and 14 are excluded as immaterial or not applicable.

Scope 3 consolidation has been applied consistently with the Group's operational control boundary. For Category 1 (Purchased goods and services), only harvest and agricultural products procured externally are included. Harvest procured within the Group is excluded, as the associated emissions are already accounted for in Scope 1 and Scope 2 of the Farming segment. Similarly, feed purchased within the Group is not included in Scope 3, since the related emissions are captured within internal Scope 1 and Scope 2 reporting.

For Partners for Farmers, agricultural inputs (fertilisers, plant protection products and other inputs) sold internally are not included in Scope 3 at the point of sale. Emissions associated with the use of such inputs are reported in Scope 1 of the Farming segment and therefore excluded from Scope 3 Category 11 (Use of sold products).

This approach avoids double counting of emissions within the consolidated Group GHG inventory while ensuring full coverage of external value chain impacts.

#### **GHG EMISSIONS INTENSITY**

(ESRS E1-6 | 53 | AR 53)

- Location-based: 1,440.5 tCO<sub>2</sub>e per EUR million of net revenue. Includes Scope 1, Scope 2 (location-based), and relevant Scope 3 emissions.
- Market-based: 1,434.1 tCO<sub>2</sub>e per EUR million of net revenue. Scope 2 emissions are calculated using supplier-issued Guarantees of Origin (GoO) where applicable.

#### NET REVENUE AND RECONCILIATION TO FINANCIAL STATEMENTS

(ESRS E1-6 | 55 | AR 55)

Net revenue used to calculate GHG emissions intensity is consistent with the revenue reported in the consolidated financial statements. It corresponds to the line item "Revenue" disclosed in the Group's consolidated statement of profit or loss. No adjustments, exclusions or reconciliation items are required.

- Net revenue: EUR 1,595.6 million
- Net revenue used to calculate GHG intensity: EUR 1,595.6 million
- Net revenue other than used to calculate GHG intensity: EUR 0

### GHG REMOVALS, STORAGE, AND CARBON CREDITS

(ESRS E1-7 | 56a-58 | AR 56-AR 57)

No GHG removal or storage projects were implemented in the Group's own operations or within upstream or downstream value chain entities during the reporting year. The Group acknowledges that agricultural land under management provides natural carbon sequestration through soil and biomass processes. A full evaluation of actual sequestration potential is ongoing. General estimates based on NUTS3-level analysis indicate an approximate sequestration of **20,000–23,000 tCO**<sub>2</sub>e per year. These figures are not used for audited reporting and are disclosed for information only. On the other hand, participation in the **iNsoil** and **HeavyFinance** programmes is ongoing, but results remain subject to independent verification. Indicative sequestration potential of approximately 2 tCO<sub>2</sub>e/ha annually is not included in GHG inventories, offsetting, or targets. Farmers participating in such programmes may generate credits in the future, but the Group excludes these from reporting until verification is completed and credits are certified.

The Group does not finance or intend to finance climate change mitigation projects outside its value chain through the purchase of carbon credits. No carbon credits are purchased, sold, or retired by the Group.

#### **CARBON PRICING**

(ESRS E1-8 | 63a-63d, AR 65)

The Group does not apply any internal carbon pricing scheme. Accordingly, all disclosures under ESRS E1-8 | 63a-63d are not applicable.

For the purposes of double materiality and impact-risk-opportunity (IRO) analysis, a scenario-based assumed carbon price of **EUR 50 per ton of CO<sub>2</sub>e** is used to assess sensitivity and transition risk exposure. This value is not applied in internal decision-making, financial allocations, or budgeting, and has no impact on financial statement disclosures.

### ASSETS AT MATERIAL PHYSICAL RISK BEFORE CONSIDERING CLIMATE CHANGE ADAPTATION ACTIONS

(ESRS E1-9 | ESRS E1-9 66 a | AR 70)

No Group-owned assets were identified to be under material physical risk before considering climate change adaptation actions.

### NET REVENUE FROM BUSINESS ACTIVITIES AT MATERIAL PHYSICAL AND TRANSITION RISK

(ESRS E1-9 | 66 d | AR 71)

The Group's climate scenario analysis identified business activities where potential financial effects from climate-related physical or transition risks meet the materiality threshold.

Material physical risk was identified for two rented grain elevators in Lithuania and Latvia. Although these facilities are not owned by the Group, their disruption could constrain grain intake and dispatch capacity, delaying or reducing execution of contracted grain sales. The resulting revenue loss would arise from lower throughput in the Partners for Farmers segment's grain trading operations during the disruption period. This risk is assessed in the long-term horizon (2041–2060) under SSP high-hazard projections. For the reporting period, the net revenue from business activities at material physical risk is representing up to 2 % of consolidated net revenue (IFRS 15).

Material transition risks (≥ 75) were identified in two scenarios:

Carbon Border Adjustment Mechanism (CBAM) exposure - SSP 1-2.6 (long-term)

- o **Business segment**: Partners for Farmers fertiliser trade.
- o **Risk driver**: In a low-emissions, strong-institution pathway, CBAM applies carbon pricing and verification requirements to fertiliser imports into the EU.
- o **Potential lost revenue**: Compliance costs and embedded carbon charges would increase sale prices, reducing competitiveness in price-sensitive markets. Lost revenue would occur if customers shift to lower-cost suppliers not subject to CBAM or reduce purchase volumes, with greatest impact on cross-border sales where pass-through pricing is constrained.
- o Net revenue at risk: EUR157.8m representing 10% of consolidated net revenue (IFRS 15).

### **Centralised energy infrastructure dependency – SSP 5-8.5** (long-term)

- o **Business segments**: Food Products (poultry farming, processing, food manufacturing), Farming (dairy farming), Partners for Farmers (feed production).
- o **Risk driver**: High reliance on centralised electricity and heat supply in a high-emissions trajectory with more frequent climate-driven disruptions to generation and distribution.
- o **Potential lost revenue**: Interruptions to energy supply would halt high-energy-use operations, causing missed deliveries, reduced production volumes, and possible breach of supply contracts. Lost revenue would result from unfulfilled orders and contract penalties, with impact magnified by the scale and concentration of affected operations.
- o Net revenue at risk: might reach up to 50% of consolidated net revenue (IFRS 15).

Risk profile across climate scenarios – In SSP 1-2.6, compliance, adaptation, and reputational risks dominate, with CBAM exposure material for fertiliser trade and energy-infrastructure vulnerability scoring High. SSP 2-4.5 follows a similar pattern but with reduced compliance intensity, lower reputational pressure, and no operational requirement for technology adoption; energy-infrastructure exposure remains High/Moderate but not material. SSP 3-7.0 shifts toward technology-adoption, animal-welfare, and adaptation-failure risks, with centralised-energy vulnerability remaining High/Moderate. In SSP 5-8.5, technology risks dominate and energy-infrastructure dependency becomes material for multiple segments, while compliance and reputational risks diminish.

# ASSESSMENT OF ANTICIPATED FINANCIAL EFFECTS FOR ASSETS AND BUSINESS ACTIVITIES AT MATERIAL PHYSICAL RISK (ESRS E1-9 | AR 69a-69b)

The process for identifying and scoring physical risks at the asset level, and systematic and transition risks at the business activity level, is described in the Resilience Assessment section of this report (see ESRS 2 | SBM-3, paragraph 17 and AR 7-AR 9). Following this process, only risks with a composite score of  $\geq$  75 are classified as material and taken forward for financial effect estimation in line with AR 69(a).

For each material physical risk, anticipated financial effects are calculated by:

- mapping the dependency of revenue-generating activities on the at-risk asset;
- · determining the proportion of throughput or capacity affected;
- applying the average gross revenue per unit to the dependent volume; and
- adjusting for diversion capacity and expected recovery times, based on historical disruption data for comparable assets.

This calculation is performed for the 2030 horizon (2021–2040) and 2050 horizon (2041–2060), using the same scenario boundaries and climate modelling assumptions applied in the resilience analysis. The resulting monetary values and proportions of consolidated net revenue at risk are disclosed in ESRS E1-9 AR 71.

The assessment of assets and business activities considered to be at material physical risk is fully integrated into the Group's process for determining material physical risks and climate scenarios, as described in the Resilience Assessment section (see ESRS 2 | SBM-3, paragraph 17 and AR 7–AR 9).

- Material physical risk determination: Asset-level hazard scoring, vulnerability calculation (likelihood, scope, scale, irreversibility, sensitivity, adaptive capacity), and composite scoring are performed using climate hazard projections from CMIP6-aligned datasets. This process covers the 2030 horizon (2021 2040) and 2050 horizon (2041 2060) under SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5. Only assets and activities with a composite score ≥ 75 are classified as material.
- Integration with scenario analysis: Hazard scoring and vulnerability assessment are conducted using the same climate scenario boundaries, variables, and modelling assumptions applied in the Group's resilience analysis.
- Link to financial effect estimation: Assets and activities classified as material are carried forward into the AR 69(a) process for anticipated financial effects, ensuring methodological consistency between materiality determination, scenario application, and financial modelling.

This alignment ensures that the determination of material physical risks, the climate scenarios used, and the calculation of anticipated financial effects are all based on a unified, scenario-driven methodology applied across the Group's operations.

#### ASSETS AT MATERIAL PHYSICAL RISK BEFORE CONSIDERING CLIMATE CHANGE ADAPTATION ACTIONS

(ESRS E1-9 | 66 - 66 c | AR 70)

The Group's material physical risk assessment, as described in *Resilience Assessment* (ESRS 2 | SBM-3, paragraph 17 and AR 7-AR 9), identified no Groupowned assets meeting the  $\geq$  75 materiality threshold.

# ASSESSMENT OF ANTICIPATED FINANCIAL EFFECTS FOR ASSETS AND BUSINESS ACTIVITIES AT MATERIAL TRANSITION RISK (ESRS E1-9 | AR 72a-72b, AR 73a)

The Group's process for identifying and scoring transition risks at the business activity level is described in Resilience Assessment (ESRS 2 | SBM-3, paragraph 17 and AR 7-AR 9). Following this process, only risks with a composite score of  $\geq$  75 are classified as material and taken forward for financial effect estimation.

For the current reporting period, material transition risks were identified for:

- Partners for Farmers fertiliser trade: exposure to the Carbon Border Adjustment Mechanism (CBAM) under SSP1-2.6.
- Food Products (poultry farming/processing, food manufacturing), Farming (dairy), and Partners for Farmers (feed production): reliance on centralised energy infrastructure under SSP5-8.5.

Potential effects on future financial performance and position were assessed by mapping revenue-generating activities to specific risk drivers, modelling the impact of regulatory cost increases, technology adoption requirements, or operational disruption on EBITDA and cash flows, and stress-testing against the Group's 2030 (2021–2040) and 2050 (2041–2060) scenario horizons. This assessment is an integrated part of the Group's materiality determination process for transition risks and uses the same climate scenarios, hazard variables, and modelling assumptions as the resilience analysis described in Resilience Assessment (ESRS 2 | SBM-3, paragraph 17 and AR 7–AR 9).

#### ESTIMATED AMOUNT AND SHARE OF POTENTIALLY STRANDED ASSETS

(ESRS E1-9 | AR 73a-b)

No Group-owned assets meet the  $\geq$  75 threshold for material transition risk. Accordingly, the estimated amount of potentially stranded assets is **EUR 0**, and the percentage of potentially stranded assets relative to total assets at material transition risk is 0%.

The total carrying amount of real estate assets for which energy consumption is based on internal estimates is **EUR 0**. The Group does not use internal estimates for real estate energy consumption; all figures are based on actual supplier invoices and meter readings.

Liabilities from material transition risks that may have to be recognised in financial statements amount to **EUR 0**. No provisions or liabilities were recognised for material transition risks in the reporting period, as no obligation existed at year-end under IAS 37 recognition criteria.

# NET REVENUE FROM BUSINESS ACTIVITIES AND CUSTOMERS AT MATERIAL TRANSITION RISK (ESRS E1-9 | 67 e)

Table 8. revenue from activities and customers at material transition risk

Category	Monetary (EUR million)	% of consolidated net revenue
Net revenue from business activities at material transition risk	579.25	36%
Net revenue from customers operating in coal-related activities	0.00	0%
Net revenue from customers operating in oil-related activities	0.00	0%
Net revenue from customers operating in gas-related activities	0.00	0%

Note: The Group does not produce, trade, or provide services directly or indirectly applicable to coal, oil, or gas-related activities.

# RECONCILIATIONS WITH FINANCIAL STATEMENTS OF SIGNIFICANT AMOUNTS OF ASSETS, LIABILITIES AND NET REVENUE AT MATERIAL PHYSICAL AND TRANSITION RISK

(ESRS E1-9 | 68a-68b)

All amounts of assets and net revenue at material physical risk are derived directly from the Group's consolidated financial statements. Reconciliations are made at the level of property, plant, and equipment (IAS 16), inventories (IAS 2), and segmental net revenue disclosures (IFRS 8). No adjustments or internal estimates are applied beyond those disclosed in the financial statements.

No Group-owned assets, liabilities, or net revenue streams meet the  $\geq 75$  threshold for material transition risk. Accordingly, the reconciled amounts in the consolidated financial statements are **EUR 0** for assets, **EUR 0** for liabilities, and **0**% of consolidated net revenue.

# **EU Taxonomy Disclosures**

The European Union (EU) Taxonomy Regulation (EU) 2020/852, and the delegated acts adopted thereon (hereinafter – taxonomy) is a classification system for environmentally sustainable economic activities, which aims to encourage private investment in activities contributing to the European Green Deal. The taxonomy defines the following environmental objectives:

- CCM Climate change mitigation.
- CCA Climate change adaptation.
- WTR Sustainable use and protection of water and marine resources.
- CE Transition to a circular economy.
- PPC Pollution prevention and control.
- BIO Protecting and restoring biodiversity and ecosystems.

A taxonomy-eligible economic activity is defined as an activity described in the relevant delegated acts of the Taxonomy Regulation, i.e. it is included in the taxonomy and falls under at least one of the six environmental objectives. Once the economic activities of an undertaking have been identified as taxonomy-eligible, the activities are evaluated according to the technical screening criteria defined in the taxonomy, based on scientific evidence. Taxonomy-eligible activities that meet all the criteria are considered environmentally sustainable.

In this overview, we present consolidated information on the taxonomy-eligible activities of AB Akola Group together with its subsidiaries (hereinafter – the Group) and their compliance with the taxonomy criteria by key performance indicators. The information is provided for the financial year 2024/2025 (hereinafter – FY 2024/2025), starting on 1 July of the calendar year and ending on 30 June of the following calendar year. This overview should be read together with the Group's annual financial statements.

We note that certain terms and formulations in the Taxonomy and its associated delegated acts remain open to different interpretations and have not been officially clarified. In this overview, we provide the calculated Taxonomy indicators and explain how the Taxonomy requirements have been interpreted. It should be noted that future disclosures and the methodology for calculating indicators may change, taking into account possible new official interpretations of the Taxonomy.

### IDENTIFYING TAXONOMY-ELIGIBLE ACTIVITIES AND CALCULATING INDICATORS

The main taxonomy indicators – turnover, capital expenditure (CapEx) and operating expenditure (OpEx) – are disclosed in template tables (see Tables 9-11). All key performance indicators related to the taxonomy are assessed and calculated in a way that avoids double counting (i.e. activities contributing to several environmental objectives are included in the indicator calculation only once). Revenues, expenses and assets resulting from intra-group transactions are excluded from the taxonomy assessment, except in cases where assets are acquired as part of a business combination.

As the Group's taxonomy activities are essentially related only to expenditures (CapEx or OpEx, while the turnover indicator is relatively insignificant), the list of taxonomy activities may vary compared to previous periods, depending on the investments made, expenses incurred during the reporting periods, and the ability to clearly identify and allocate them to a specific taxonomy activity.

Compared to the previous reporting period, purchases of biological assets have additionally been included in the denominator of the CapEx calculation, and financial income (e.g. interest income from loans, etc.) has been included in the denominator of the turnover calculation. These changes were made to ensure greater accuracy and compliance with the taxonomy requirements. It should be noted that the indicators for FY 2023/2024 were not recalculated; therefore, when comparing the indicators with the previous period, the data should be interpreted with caution, as the figures may not be directly comparable.

#### Revenue (Turnover)

The Group's main business segments (Partners for farmers, Farming, Food production, Other products and services), from which the Group's companies derive their income, are not included in the taxonomy at this date, – taxonomy-eligible activities by revenue account for a minor part of the Group's activities. The fact that a Group's main activities are not included in the taxonomy does not mean that they cannot be carried out in an environmentally sustainable manner. The list of activities and criteria in the taxonomy is continuously updated and the list of activities applicable to the Group in the taxonomy may be extended in the future.

The Group's share of activities in terms of revenue in the FY 2024/2025 corresponds to the following taxonomy-eligible activities:

- Lease of owned and right-of-use buildings to third parties CCM 7.7 Acquisition and ownership of buildings.
- Collection and transport of non-hazardous waste to prepare it for reuse or recycling (e.g. biodegradable waste from agricultural activities sold for energy production; animal waste sold for use in the production of fertilisers and animal feeds) CCM 5.5 Collection and transport of non-hazardous waste in source segregated fractions.
- Revenue from rental of railway vehicles (wagons) CCM 6.2 Freight rail transport.
- Transportation by M1, N1, L category (passenger) vehicles when they comply with EURO 5 or EURO 6 CCM 6.5 *Transport by motorbikes, passenger cars and light commercial vehicles.*
- Transportation with vehicles of categories N1, N2, N3 (freight) when they comply with EURO 6 Stage E CCM 6.6 Freight transport services by road.
- Water supply and wastewater services for residential housing CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems.

The share of revenues from taxonomy-eligible activities is calculated by dividing the revenues from products and services related to taxonomy-eligible activities by the Group's total revenues (see Table 9).

The financial statement line items most closely matching the taxonomy revenue indicator are: *Revenue from contracts with customers, Other income, and Income from financing activities.* 

#### CapEx

A proportion of the Group's capital expenditure in FY 2024/2025 relates to the purchase of output from taxonomy-eligible economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions. The capital expenditure for taxonomy-eligible activities is calculated by dividing the investment related to the activities defined in the taxonomy by the total capital expenditure (see Table 10).

The Group's activities (investments) were classified as taxonomy activities in accordance with the activity definitions set out in the taxonomy. For the purposes of this report, the allocation of buildings to the taxonomy-eligible activities *Construction of new buildings* and *Acquisition and ownership of buildings* has been based on the definition of 'a building' in the Law on Construction of the Republic of Lithuania (excluding various civil engineering structures which do not comply with the following definition): *Building - a roofed structure, the main part of which consists of rooms.* 

Part of the Group's capital expenditure in the FY 2024/2025 corresponds to the following taxonomy-eligible activities:

- New buildings under construction (acquisitions) CCM 7.1 Construction of new buildings.
- Acquisition or improvement of owned and right-of-use buildings CCM 7.7 Acquisition and ownership of buildings.
- Major renovation of owned and right-of-use buildings CCM 7.2 Renovation of existing buildings.
- Acquisition of individual (stand-alone) energy efficiency measures CCM 7.3 Installation, maintenance and repair of energy efficiency equipment.
- Acquisition of instruments and equipment for measuring, regulating and controlling the energy performance of buildings CCM 7.5 *Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.*
- Acquisition of solar power plants CCM 4.1 Electricity generation using solar photovoltaic technology.
- Construction or extension of biogas transmission and/or distribution networks CCM 4.14 *Transmission and distribution networks for renewable and low-carbon gases.*
- Acquisition or improvement of biogas production facilities CCM 4.24 *Production of heat/cool from bioenergy.*
- Acquisition of water collection, treatment and supply systems (e.g. water boreholes) CCM 5.1 *Construction, extension and operation of water collection, treatment and supply systems;* renewal CCM 5.2 *Renewal of water collection, treatment and supply systems.*
- Acquisition of equipment for the collection and transport of non-hazardous waste CCM 5.5 *Collection and transport of non-hazardous waste in source segregated fractions.*
- Installation of biogas production facilities CE 2.5 Recovery of bio-waste by anaerobic digestion or composting.
- Railway repair CCM 6.14 *Infrastructure for rail transport.*
- Purchase, financing, hire or leasing of M1, N1, L category (light) vehicles when they comply with EURO 5 or EURO 6 CCM 6.5 *Transport by motorbikes, passenger cars and light commercial vehicles.*
- Purchase or leasing of N1, N2, N3 category (freight) vehicles when they comply with EURO 6 Stage E CCM 6.6 Freight transport services by road.

The financial statement line items most closely matching the CapEx indicator under the taxonomy are: Intangible assets: Additions and Acquisition of subsidiaries; Property, plant and equipment: Additions and Acquisition of subsidiaries; Right-of-use assets: Additions and Acquisition of subsidiaries; Biological assets: Acquisition.

#### **OpEx**

The definition of operating expenditure (OpEx) provided in the taxonomy differs from the definition commonly applied in financial accounting and covers a significantly smaller portion of expenses. Applying this definition, only maintenance and repair costs and short-term lease expenses are included in the Group's taxonomy OpEx calculation.

It is important to note that the accounting system currently applied by the Group is not designed to easily separate operating expenses related to taxonomy assets, plant and equipment, therefore the calculated indicators may be adjusted in the future.

Some of the Group's operating expenses in the FY 2024/2025 correspond to the following taxonomy-eligible activities:

- Maintenance and repair of owned and right-of-use buildings, cleaning costs, rent CCM 7.7 Acquisition and ownership of buildings.
- Maintenance and repair of individual (stand-alone) energy efficiency measures CCM 7.3 *Installation, maintenance and repair of energy efficiency equipment.*
- Maintenance and repair of instruments and devices for measuring, regulation and controlling the energy performance of buildings CCM 7.5 *Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.*
- Maintenance, cleaning and repair of M1, N1, L category (light) vehicles when complying with EURO 5 or EURO 6 CCM 6.5 *Transport by motorbikes, passenger cars and light commercial vehicles.*
- Maintenance, cleaning and repair of N1, N2, N3 category (freight) vehicles when complying with EURO 6 Stage E CCM 6.6 Freight transport services by road.
- Railway maintenance and repair CCM 6.14 Infrastructure for rail transport.
- Renting (recorded under cost of sales), maintenance and repair of railway vehicles (wagons) CCM 6.2 Freight rail transport.
- Maintenance and repair of equipment and machinery for the collection and transport of non-hazardous waste CCM 5.5 Collection and transport of non-hazardous waste in source segregated fractions.

The operating expenditure indicator has been calculated as operating expenses related to activities defined in the taxonomy divided by total operating expenses under the taxonomy (see Table 11).

#### **EVALUATING ALIGNMENT WITH THE TECHNICAL SCREENING CRITERIA**

The review of activities according to the taxonomy identified that the Group is engaged in taxonomy-eligible activities and/or invests in taxonomy-eligible measures that can contribute to climate change mitigation and circular economy objectives. The Group has not identified any activities that may contribute to other objectives of the taxonomy. In FY 2024/2025, no investments were made in adaptation to physical climate change risks; therefore, no climate change adaptation (CCA) activities apply to the Group.

In FY 2024/2025, a comprehensive climate risk assessment was carried out to determine whether the Group's activities do not significantly harm (DNSH) climate change adaptation. The assessment identified material physical risks and evaluated adaptation measures that could help mitigate the identified climate-related physical risks. Therefore, the activities are assessed as meeting the DNSH criterion for climate change adaptation. A detailed description of the climate risk assessment and management is provided in ESRS E1 -19 disclosures.

In the future, the Group will aim to provide even more precise information and to take taxonomy criteria into account when planning investments, so that as large a share as possible can be classified as environmentally sustainable activities.

The Group has assessed that its activities comply with the minimum safeguards condition for social and governance sustainability matters: it has implemented and continuously improves socially responsible and ethical business practices relevant and material to its activities, as set out in the OECD Guidelines for Multinational Enterprises, and adheres to the United Nations Guiding Principles on Business and Human Rights.

### **Taxonomy-aligned activities**

The table below presents a summary of the activities identified as meeting the taxonomy criteria (taxonomy-aligned).

Taxonomy code	Title of the activity	Assessment of activities against the substantial contribution criteria	Assessment of activities against DNSH criteria
CCM 4.1	Electricity generation using solar photovoltaic technology	Some of the Group's companies have invested in electricity generation equipment using solar photovoltaic technology, and therefore meet the CCM 4.1 substantial contribution criteria.	
CCM 5.5	Collection and transport of non- hazardous waste in source segregated fractions	Some of the Group's activities under CCM 5.5 meet this criterion: all non-hazardous waste collected and transported separately at the place of origin is sent for preparation for reuse or recycling.	Activities that meet the substantial contribution criteria were also assessed against the applicable DNSH criteria and are in compliance with these
CCM 7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Some of the Group's companies have invested in instruments and devices for measuring, regulation and controlling the energy performance of buildings, which meet the CCM 7.5 substantial contribution criteria.	criteria.

### OTHER TAXONOMY ACTIVITIES (NOT MEETING THE CRITERIA)

At present, other taxonomy-eligible activities identified by the Group's companies are classified as not meeting the criteria, as they do not comply with one or more technical screening criteria or because the necessary information or evidence for a complete assessment is lacking. The indicators related to these activities are presented below in the taxonomy template tables.

Table 9. Taxonomy turnover for FY 2024/2025

Economic activities	Code(s)	Absolute turnover	Proportion of turnover year 2024-2025	e	e change	Water	Polluti on	Circula r econo my	Biodiv ersity	change	Climate change adaptat ion		Polluti on	Circula r econo my		Minimu m safegu ards	Proportion of Taxonomy- aligned (A.1.) or - eligible (A.2.) turnover year 2023- 2024	Catego ry (enabli ng activity )	ry
Text		Thousand EUR	%	Y; N; N/EL	Y;N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	т
A. TAXONOMY ELIC																			
A.1. Environmental	sustainable activitie	s (Taxonomy-aligned	d)																
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	902	0.06%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	-	Y	0.00%	-	-
Turnover of envir sustainable activ aligned) (A.1)	ronmentally rities (Taxonomy-	902	0.06%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	-	Y	-	-	Y	-	Y	0.00%		
Of which enablin	g	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	E	
Of which transition	onal	-	-	-						-	-	-	-	-	-	-	0.00%		T
A.2. Taxonomy-elig	jible but not environn	nentally sustainable	activities (not Taxoi	nomy-alig	ned activ	vities)													
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										

Collection and	CCM 5.5	47	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.20%	
transport of non-hazardous waste in source segregated fractions	3.3	71	0.00%		N/LL	IV/ LL	IV/ LL	IV/ LL	N/LL				0.20%	
Acquisition and ownership of buildings	CCM 7.7	89	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.00%	
Freight rail transport	CCM 6.2	1708	0.11%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.17%	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	93	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.02%	
Freight transport services by road	CCM 6.6	121	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.05%	
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	61	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				-	
Turnover of Taxor not environmenta activities (not Tax activities) (A.2)	lly sustainable	2120	0.13%	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%				0.44%	
Turnover of Taxor activities (A.1+A.2		3022	0.19%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%				0.44%	
B. TAXONOMY-NON	-ELIGIBLE ACTIVITIE	S												

Turnover of Taxonomy-non- eligible activities	1592487	99.81%	
TOTAL (A+B)	1595509	100.00%	

Explanation of Abbreviations:

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.

N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.

N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

EL - Taxonomy-eligible activity for the relevant objective

**Note**: No retrospective recalculation of indicators for the FY 2023–2024 has been performed, therefore when comparing the data in this report with the previous reporting period, it is necessary to take into account methodological differences and the fact that the data may not be directly comparable.

	Proportion of turnover ,	/ total turnover
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
ССМ	0.06%	0.19%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Table 10. Taxonomy capital expenditure (CapEx) for FY 2024/2025

DNSH criteria ('Does Not Significantly Harm')
---

Economic activities	Code(s)	Absolute CAPEX	Proportion of CAPEX year 2024- 2025	e change	Climat e change adapta tion	Water	Polluti on	Circula r econo my			Climate change adaptat ion	Water	Polluti on	Circula r econo my	rsity	m	of Taxonomy- aligned	Catego ry (enabli ng activity )	ry (transit ional
Text		Thousand EUR	%	Y; N; N/EL	Y;N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	Т
A. TAXONOMY ELIG		s (Taxonomy-aligned	1)																
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	810	0.80%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	-	Y	0.00%	-	-
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	6	0.01%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.00%	Е	-
Electricity generation using solar photovoltaic technology	CCM 4.1	24	0.02%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	0.00%	-	-

CAPEX of enviror sustainable activ aligned) (A.1)	nmentally ities (Taxonomy-	840	0.83%	0.83%	0.00%	0.00%	0.00%	0.00%	0.00%	-	Y	-	-	Y	Y	Y	0.00%		
Of which enabling	g	6	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	-	Y	-	-	-	-	Y	0.00%	E	
Of which transition	onal	-	-	-						-	-	-	-	-	-	-	0.00%		Т
A.2. Taxonomy-elig	ible but not environm	entally sustainable a	activities (not Taxor	nomy-alig	ned activ	vities)													
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	45	0.04%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Recovery of bio- waste by anaerobic digestion or composting	CE 2.5	5230	5.15%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1.64%		
Renovation of existing buildings	CCM 7.2 / CE 3.2	1846	1.82%	EL	N/EL	N/EL	N/EL	EL	N/EL								1.25%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1985	1.96%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.01%		
Transmission and distribution networks for renewable and	CCM 4.14	106	0.10%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		

low-carbon gases														
Production of heat/cool from bioenergy	CCM 4.24	85	0.08%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				-	
Construction of new buildings	CCM 7.1 / CE 3.1	14165	13.96 %	EL	N/EL	N/EL	N/EL	EL	N/EL				13.42%	
Acquisition and ownership of buildings	CCM 7.7	10446	10.29%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				3.17%	
Infrastructure for rail transport	CCM 6.14	498	0.49%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.01%	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	2959	2.92%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				3.74%	
Freight transport services by road	CCM 6.6	1268	1.25%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				3.09%	
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	169	0.17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.09%	

Renewal of water collection, treatment and supply systems	CCM 5.2	495	0.49%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				0.08%	
CAPEX of Taxono not environmenta activities (not Tax activities) (A.2)	lly sustainable	39297	38.72%	33.56 %	0.00%	0.00%	0.00%	20.93	0.00%				30.15%	
CAPEX of Taxono activities (A.1+A.:		40137	39.54%	34.39 %	0.00%	0.00%	0.00%	20.93	0.00%				30.15%	

CAPEX of Taxonomy-non-eligible activities	61364	60.46%
TOTAL (A+B)	101501	100.00%

Explanation of Abbreviations:

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.

N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

EL – Taxonomy-eligible activity for the relevant objective

Note: No retrospective recalculation of indicators for the FY 2023-2024 has been performed, therefore when comparing the data in this report with the previous reporting period, it is necessary to take into account methodological differences and the fact that the data may not be directly comparable.

	Proportion of CAPEX / 1	total CAPEX
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
ССМ	0.83%	34.39%
CCA	0.00%	0.00%
WTR	0.00%	0.00%

CE	0.00%	20.93%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Table 11. Taxonomy operating expenditure (OpEx) for FY 2024/2025

		2024-2025		l _	Substa	ntial con	tribution	criteria		DNS	H criteria	('Does N	lot Signif	icantly H	arm')	_			
Economic activities	Code(s)	Absolute OPEX	Proportion of OPEX year 2024- 2025	e change mitigat	Climat e change adapta tion		Polluti on	Circula r econo my	Biodiv ersity	change mitigati	Climate change adaptat ion		Polluti on		rsity	m safegu ards	Proportion of Taxonomy- aligned (A.1.) or - eligible (A.2.) OPEX year 2023- 2024	Catego ry (enabli ng activity )	ry (transit ional
Text		Thousand EUR	%	Y; N; N/EL	Y;N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Е	т
A. TAXONOMY ELIG																			
	sustainable activitie	s (Taxonomy-aligne	d)																
A.1. Environmental Collection and transport of non-hazardous waste in source segregated	sustainable activitie	s (Taxonomy-aligned	d) 0.02%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y		-	Y	-	Y	0.00%	-	
A.1. Environmental  Collection and transport of mon-hazardous waste in source segregated fractions  OPEX of environr	CCM 5.5			V 0.02%	N/EL	N/EL 0.00%	N/EL	N/EL	N/EL	-	Y	•	-	Y	-	Y	0.00%		

Of which transition	onal	0	0.00%	0.00%						-	-	-	-	-	-	-	0.00%	Т
A.2. Taxonomy-elig	ible but not environn	nentally sustainable a	activities (not Taxon	omy-alig	ned activ	vities)												
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL									
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	286	1.63%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.24%	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	65	0.37%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-	
Acquisition and ownership of buildings	CCM 7.7	1204	6.86%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.69%	
Infrastructure for rail transport	CCM 6.14	4	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%	
Freight rail transport	CCM 6.2	1263	7.19%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.30%	

Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1394	7.94%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				1.20%	
Freight transport services by road	CCM 6.6	306	1.74%	EL	N/EL	N/EL	N/EL	N/EL	N/EL				1.00%	
OPEX of Taxonor not environmenta activities (not Ta activities) (A.2)	ally sustainable	4522	25.75%	25.75	0%	0%	0%	0%	0%				4.47%	
OPEX of Taxonor activities (A.1+A.		4525	25.76%	25.76 %	0%	0%	0%	0%	0%				4.47%	

#### B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

OPEX of Taxonomy-non-eligible activities	13040	74.24%
TAL (A+B)	17565	100.00%

Explanation of Abbreviations:

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.

N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

EL - Taxonomy-eligible activity for the relevant objective

**Note**: No retrospective recalculation of indicators for the FY 2023–2024 has been performed, therefore when comparing the data in this report with the previous reporting period, it is necessary to take into account methodological differences and the fact that the data may not be directly comparable.

Proportion of OPEX / total OPEX

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
ССМ	0.02%	25.76%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

### **ACTIVITIES RELATED TO NUCLEAR ENERGY AND FOSSIL GAS**

The Group does not carry out taxonomy-eligible activities related to nuclear energy and fossil gas, but it does carry out taxonomy-non-eligible activities related to fossil gas. The information is disclosed below in accordance with Annex XII, templates 1 and 5 (CapEx, OpEx). Templates 2–4 are not applicable.

Template 1. Nuclear and fossil gas related activities					
Row		Nuclear energy related activities			
		The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO		
	2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO		
	3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO		

	Fossil gas related activities	
	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Template 5. Tax	conomy non-	eligible economic activities		
СарЕх				
Row		Economic activities	Amount Thousand Eur	Percentage
	1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
	2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
	3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable

4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	119	0.21%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	55622	99.79%
3	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	55741	100.00%

ОрЕх												
Row	Economic activities	Amount Thousand Eur	Percentage									
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable									

2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	Not applicable	Not applicable
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	151	0.27%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	12882	23.11%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	13033	100.00%

# **Pollution**

ESRS E2

# PROCESS TO IDENTIFY ACTUAL AND POTENTIAL POLLUTION-RELATED IMPACTS, RISKS AND OPPORTUNITIES

(E2.IRO-1 | 11 a | AR 1 – AR 8)

The Group identifies actual and potential pollution-related impacts, risks and opportunities through a structured, segment-level assessment process integrated into the double materiality analysis. This process applies to all operating segments – Food production, Farming, Partners for Farmers and Other products and services – and is consistent across the Group.

Identification draws on:

- Continuous review of operational activities and environmental permits, including Integrated Pollution Prevention and Control (IPPC) permits, to determine pollution sources, legal obligations and compliance requirements;
- Systematic monitoring of pollutants including SOx, NOx, particulate matter, ammonia, odours, organic matter (BOD) and substances of concern, with reference to permit limits and monitoring results;
- Review of historical incidents, stakeholder and community feedback, including ongoing cases of community opposition to
   permitted
- Assessment of regulatory developments, sector-specific pollution risk factors and scientific evidence on pollution impacts, including pollutants for which no full remediation technology exists;
- Segment-specific risk and opportunity scoring, applying likelihood, scope, scale, severity and irreversibility criteria.

Quantitative data from environmental monitoring, permit compliance records and operational performance metrics are combined with qualitative assessments from management and environmental specialists. Pollution-related risks and impacts are evaluated for their potential to cause operational disruption, financial loss, reputational harm or regulatory non-compliance. Opportunities are identified where technological upgrades or process changes could reduce pollution impacts beyond legal requirements.

All identified items are consolidated at Group level, with critical and material issues disclosed in the sustainability statement in alignment with ESRS E2 requirements.

### PROCESS OF CONSULTATIONS

(E2.IRO-1 | 11 b)

Consultations on pollution-related matters are conducted as part of ongoing regulatory and operational requirements. These include formal interactions with environmental authorities during IPPC permit procedures and renewals, and targeted engagement with local communities where operations are present. Consultations are documented and outcomes are considered in operational planning and compliance management.



In locations with heightened community sensitivity, such as around the Vilniaus Paukštynas site in Rudamina, consultations are supported by real-time odour dispersion monitoring. A mobile odour measurement station was installed on site to track air quality in real time, enabling transparent dialogue on monitoring results and corrective measures (investment approx. EUR 30 thousand; a unique installation of this type in Lithuania).

Mobile odour measurement station

# RESULTS OF MATERIALITY ASSESSMENT (POLLUTION)

(E2.IRO-1 | AR 9)

The double materiality assessment shows that, at Group level, pollution-related impacts on air, water, and substances of high concern all received critical scores.

Among pollution-related risks, the highest scores were assigned to community opposition based on pollution in Food production and to potential violations of permits in several segments. Other risks scored lower, with results varying by segment-specific exposure and regulatory context.

The assessment of pollution-related opportunities did not identify any items that reached the materiality threshold.

### POLICIES TO MANAGE ITS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO POLLUTION

(E2-1 | 14 | AR 10)

AB Akola Group's Environmental Protection Policy commits to compliance with environmental legislation, prevention and reduction of pollution, efficient use of resources, and safe waste management.

In the Group companies where pollution is systematic and operations are large-scale, environmental policies set strict requirements for controlling emissions to air, discharges to water, odour, hazardous substances, and waste. Where activities fall under the scope of environmental permits, including Integrated Pollution Prevention and Control (IPPC) permits, permit conditions specify limits, monitoring, and reporting obligations. Together, the applicable regulations and internal policies establish binding requirements that are embedded into operational planning, maintenance systems, environmental monitoring, and workforce training.

At site level, environmental policies are operationalised through specific compliance and monitoring programmes. These include odour abatement commitments and requirements to maintain continuous control of permitted emissions, ensuring that operational policies remain consistent with environmental permits and Group principles.

# HOW POLICY ADDRESSES POLLUTION PREVENTION, SUBSTITUTION OF HAZARDOUS SUBSTANCES, AND EMERGENCY RESPONSE (E2-1 | 15 a-c | AR 11)

The Group's Environmental **Protection Policy** establishes the overarching framework for pollution prevention and control, aligned with national and EU legislation.

• Mitigating pollution of air, water and soil: Environmental permits define emission and discharge limits and related control measures. In line with the Environmental Protection Policy, the Group seeks to reduce CO<sub>2</sub> emissions, minimise pollutants from vehicles, manage water and fuel consumption, and

- promote eco-friendly technical solutions across all operations. Waste is systematically reduced and managed through sorting, recycling and authorised treatment.
- Substitution and minimisation of hazardous substances: The Group's policy requires prevention of hazardous material use wherever possible. Substances of concern are minimised, and substitution with less harmful alternatives is prioritised. Compliance with REACH (EC 1907/2006) and CLP (EC 1272/2008) ensures that substances of very high concern (SVHCs) are avoided or phased out in line with regulatory requirements. Fertilisers and plant protection products placed on the market meet Regulation (EU) 2019/1009 and Regulation (EC) 1107/2009 requirements, supported by Safety Data Sheets (SDS) and labelling in national languages.
- Avoiding incidents and emergency situations: The Environmental Protection Policy requires preventive measures for unusual situations that may cause
  significant environmental damage. Companies must immediately notify customers, partners and authorities of incidents and take all steps to reduce or
  prevent impacts, and to eliminate consequences if prevention is not possible. Legal obligations under environmental permits specify incident-prevention
  systems, emergency reporting, and corrective actions.

Through these policies and permits, the Group ensures that pollution prevention, hazardous substance management, and emergency preparedness are embedded as mandatory operating requirements across all activities and value chain engagements.

### **ACTIONS AND RESOURCES IN RELATION TO POLLUTION**

(E2-2 | 18 | MDR-A)

AB Akola Group allocates resources for compliance monitoring, environmental performance tracking, and staff training to support the implementation of pollution-related requirements. Actions include maintaining site-specific controls and carrying out preventive measures defined in applicable permits and internal policies. Site-specific actions at Vilniaus Paukštynas include a portfolio of odour reduction and air purification measures under active implementation. Over the last one and a half years, more than EUR 2.6 million has been invested in odour and air quality improvements, with nearly EUR 2 million planned by year-end. Actions include installation and upgrading of odour abatement and air cleaning technologies, alongside deployment of a real-time odour monitoring station to inform operations and engagement.

# ACTION RELATED TO POLLUTION EXTENDS TO UPSTREAM/DOWNSTREAM VALUE CHAIN ENGAGEMENTS (E2-2 | AR 13)

## **Upstream (supplier selection and inbound controls)**

- Legal authorisation check (Plant protection products and treated seed): Only purchase plant protection products (PPPs) and seed treatments authorised under Regulation (EC) 1107/2009. Parallel-trade and mutual-recognition permits are verified where applicable.
- Fertilisers conformity: For CE-marked fertilising products, require Regulation (EU) 2019/1009 compliance (conformity assessment, EU Declaration of Conformity, CE marking, contaminant limits including cadmium). For national (non-CE) fertilisers, apply national fertiliser placing-on-the-market rules.
- REACH/CLP compliance: Verify REACH (EC 1907/2006) registration/authorisation restrictions (Annex XIV/XVII) and CLP (EC 1272/2008) classification, labelling and packaging. Safety Data Sheets (SDS) and exposure scenarios are supplied in the local language(s).

- Storage and transport: Suppliers must comply with ADR requirements for dangerous goods, and Group warehouses comply with CLP packaging/segregation and national fire/environmental rules.
- Restricted/POPs screening: Exclude substances banned or limited by Regulation (EU) 2019/1021 on persistent organic pollutants and national prohibitions.
- Audit trail: Maintain supplier Declarations of Conformity, permits, SDS revisions, and batch Certificates of Analysis for mandated retention periods.

### Downstream (sales, user controls and take-back)

- Sale of PPPs only to certified professional users: Verify buyer certificates and distributor authorisation under Directive 2009/128/EC (Sustainable Use of Pesticides) and national transposition; record purchaser ID, product, batch, and quantity. Mandatory advice is provided at point of sale.
- Mandatory information to customers: Supply SDS in accordance with REACH and ensure CLP labels are intact in national language(s). For fertilisers, provide CE label elements per Regulation (EU) 2019/1009, including PFC/CMC classification, nutrient content, and instructions for safe use.
- Packaging and waste: Operate or participate in authorised schemes for empty PPP containers and fertiliser packaging. Ensure transfer to licensed handlers
  under the Waste Framework Directive 2008/98/EC and national extended producer responsibility rules. Disposal instructions are provided on invoices and
  SDS.
- Logistics controls: Transport is ADR-compliant; temperature, segregation, and spill-prevention requirements are applied; incident reporting follows national environmental laws.
- Traceability and recalls: Lot and batch traceability from supplier to buyer is ensured. Sales logs are retained for at least five years to enable targeted recalls and incident investigations.
- Fertiliser and PPP marketing limits: No off-label promotion is permitted. Use conditions, buffer-zone and drift-reduction requirements under Regulation (EC) 1107/2009 are enforced. For treated seed, labels state the treatment, active substance(s), and safe-use restrictions.

#### Governance and assurance

- Contractual clauses require compliance with REACH/CLP, Regulation (EC) 1107/2009, Regulation (EU) 2019/1009, national PPP and fertiliser laws, ADR, and the Waste Framework Directive. Non-compliance triggers supply suspension.
- Internal audits verify SDS, labels, buyer certificates, and waste-transfer documentation.

# TRACKING EFFECTIVENESS OF POLICIES AND ACTIONS THROUGH TARGETS

(E2-3 | 22 | AR 19)

Pollution-related targets are set in line with the limits and conditions established in environmental permits. Compliance with these requirements is used to measure the effectiveness of policies and actions. At sites where real-time odour monitoring is in place, continuous data are used to track the effectiveness of abatement measures and to trigger corrective actions if required.

# HOW TARGETS RELATE TO PREVENTION AND CONTROL OF POLLUTION

(E2-3 | 23 a-d)

Targets for pollution prevention and control are primarily established in environmental permits, which set binding emission and discharge parameters across all relevant media.

- For air, permits define emission limits for particulate matter, odour and other regulated pollutants from permitted operations. At Vilniaus Paukštynas, the odour abatement programme and associated monitoring directly support these requirements, reinforcing compliance with permit-based targets.
- For water, permits establish discharge parameters and specific load limits for wastewater from permitted activities. In the Farming segment, water pollution risks from fertilisers and plant protection products are addressed through strict adherence to regulations on application rates, timing and methods, including for manure.
- For soil, protection targets are defined in permits via requirements for storage, handling and disposal of materials to prevent contamination. Farming
  operations mitigate risks from fertilisers, plant protection products and manure through full compliance with applicable storage and application
  regulations.
- For substances of concern, targets are set through permit conditions and product regulations, covering use, storage and handling requirements. No substances of very high concern have been identified in procured products, reflecting supplier compliance with REACH restrictions.

# POLLUTION-RELATED TARGET IS MANDATORY (REQUIRED BY LEGISLATION)/VOLUNTARY (E2-3 | 25)

Pollution-related targets applicable to the Group are **mandatory**, as they are embedded in environmental legislation and operationalised through integrated pollution prevention and control (IPPC) permits. These permits function as the Group's legal licence to operate, and compliance with their emission limits is a non-negotiable condition for continued production.

Given the systematic and inherent pollution profile of industrial and agri-food activities, these legally binding permit limits are treated as operational targets. They define the maximum allowable levels of emissions and discharges and are therefore integral to the management of pollution as part of day-to-day operations, not only as potential risks.

# POLLUTION OF AIR, WATER AND SOIL

(E2-4 | 28 a | AR 21-22)

Table 12. Pollution of air in poultry farming and processing, by pollutant, country, and site location, t, AB Akola Group, 2024/2025

Location	СО	NOx	SOx	NH₃	PM	voc	Formaldehyde	Methanol	Acetone	Metal Oxides	Sulphuric acid	Other
					LITHUANA							
Vievis, Elektrėnai municipality	23.594	7.425	0	4.55	8.26	3.455	0	0	0	0.000045	0	0
Alovė, Alytus municipality	0.221	0.565	0	16.091	12.958	0.176	0		0	0.000011	0	
Velžys, Panevežys municipality	6.299	1.763	0	30.625	18.587	0	0		0	0	0	
Kaišiadorys municipality	3.0923	9.716	0	21.463	66.615	15.109	0		0	0.00125	0	
Jačiūnai, Kaišiadorys municipality	0.0714	0.182	0.0016	15.344	6.8309	9.469	0		0	0	0	
Pajautiškiai, Kaišiadorys municipality	1.137	0.364	0	3.184	2,431	0	0		0	0	0	
Leitgiriai, Šilutės municipality	0	0	0	0	0	0	0		0	0	0	
Rudamina Vilniaus district municipality	66.756	24.495	0.068	313.131	91.25	142.717	0.001		0.001	0.001	0.036	0.024
Palomenė, Kaišiadorys municipality	9.3353	0.4463	0.471	17.1341	4.2205	0.4262	0		0	0	0	
Darsūniškis, Kaišiadorys	2.884	0.46	0.056	0	0.546	0	0		0	0	0	
Butrimonys, Alytus municipality	14.236	3.986	0	73.208	22.525	60.819	0		0	0	0	
Alytus, Alytaus m. sav.	2.35344	3.98231			15.6136					0.000103		
Kėdainiai, Kėdainių r. sav.	1.06	1.416			0.0002					0		0
Kaunas, Kauno m. sav.	0.2087	2.78344			7.5182					0.0005		
Širvintos, Širvintų m. sav.	0.121	0.189			0					0		0
Linksmakalnis, Kauno r. sav.	0.5063	1.2917			0.7376	12.8756				0	0.000103	0
					LATVIA							
Ķekava	9.578	21.965	0.008	130.519	82.189	0.294	1.262	1,867	0.041		0,0005	
Bauska	3.168	7.331	0.000	41.414	36.856	0.003	3.153	1.147	0.000		0	
Riga	0.569	0.627									0	
TOTAL	145.190	88.988	0.605	666.468	377.138	245.344	4.416	3.014	0.042	0.0029	0.036	0.024

Table 13. Pollution of water in poultry farming and processing, country, and site location, t, AB Akola Group, 2024/2025

Location	Source	Ammonia	Ammonium nitrogen	BOD	Total N	Total P	COD	Phosphat es	Nitrates	Fats	Suspende d solids	Oil	Formalde hyde
LITHUANIA													
Kaišiadorys municipality	Farming			4.637	2.076	0.264	12,626				3.494		
Kaišiadorys municipality	Dometic sewage			0.453							0.895	0.002	
Jačiūnai, Kaišiadorys municipality	Dometic sewage		0.011	0.036	0.02	0.002	0.104				0.029		
Vievis, Elektrėnai municipality	Dometic sewage	0.0007		0.006	0.005	0.002	0.081	0.002	0.00032		0.013		
Vievis, Elektrėnai municipality	Rain sewage			0.05							0.062	0.001	
Rudamina, Vilniaus district municipality	Farming and processing	0.187		3.941	7.49	0.947	45.716	0.805	5.585	3.119	4.197		
Rudamina, Vilniaus district municipality	Rain sewage			0.059							0.077	0.0017	
Palomenė, Kaišiadorys municipality	Dometic sewage		0.0000009	0.0001	0.0004	0.000007	0.002				0.0003		
LATVIA													
Bauska	Farming	1.1876	0.0352	0.2027	1,4083	0.0041	0.7594	0.0012	0.0124		0.1417		0.0020
Riga	Processing				5.16285	2.33876	73.2243	0.00071		0.38207	16.6801		0.00284
Kekava	Farming and processing				41.52404	6,46823	607.220	0.19530		31.8950	156.2651		0.11042
TOTAL		1.3753	0.04621	9.3848	57.6866	10.0261	739.7327	1.00421	5.59772	35.396	181.8542	0.0047	0.11528

### MICROPLASTICS GENERATED / MICROPLASTICS USED

(E2-4 | 28 b | AR 20)

The Group does not intentionally generate or use microplastics in its operations. Verification of all traded fertilisers and plant protection products confirmed that none are polymer-coated or contain intentionally added microplastics. Systematic incidental generation occurs through tyre wear from transport, abrasion of polymer-based conveyor belts and equipment components, and fragmentation of certain plastic packaging during handling, storage and transport. These sources are managed through standard maintenance, equipment renewal, and packaging waste handling practices.

## DESCRIPTION OF CHANGES, MEASUREMENT METHODOLOGIES AND DATA COLLECTION

(E2-4 | 30 a-c, 31)

Pollution levels of air, water and soil have remained stable over the reporting period, with variations limited to operational fluctuations within permitted limits. No new significant sources of pollution have been introduced. Continuous compliance monitoring confirms that emissions, discharges and potential soil contaminants remain in line with applicable permit conditions and regulatory requirements. Where minor exceedances have occurred in the past, corrective measures were implemented immediately, preventing recurrence.

In Group companies where environmental permits require pollution monitoring, measurements follow the methodologies set out in the approved monitoring programmes:

- Air emissions from permitted point sources are monitored through accredited sampling or, where authorised, calculated using approved emission factors, operational data, and control equipment performance.
- Wastewater discharges are quantified by laboratory analysis of samples taken at designated outflow points, with pollutant loads calculated from measured concentrations and recorded flows.
- Soil monitoring is carried out at locations identified in permits as having potential contamination risk, using accredited sampling and laboratory analysis in line with applicable standards.
- For odour, continuous measurement is carried out through a mobile real-time monitoring station at Rudamina, which complements accredited laboratory testing required under permits.

Monitoring is carried out according to the schedules and methods set in approved programmes. Samples are taken by trained personnel or accredited laboratories; chain-of-custody and laboratory reports are retained at site; results are reviewed by environmental managers against permit limits, then consolidated for company- and Group-level reporting to competent authorities and for sustainability disclosures. For companies subject to permit-based monitoring, sampling is performed as required by permits, with results documented, stored in site compliance records, and consolidated at Group level. Data from the real-time odour monitoring station are reviewed by site environmental managers and integrated into compliance records, complementing permit-based sampling.

In cases where emissions are calculated or estimated instead of being directly measured, the approach is determined by the conditions of applicable environmental permits and approved monitoring programmes. Direct measurement is not required for certain sources where emissions are predictable, low in magnitude, or technically impractical to measure continuously. For these sources, regulatory authorities prescribe the use of approved emission factors, operational data, and control equipment performance parameters to ensure results are reliable and compliant with legal requirements.

# SUBSTANCES OF CONCERN — TOTAL AMOUNTS GENERATED, USED, PROCURED AND LEAVING FACILITIES (ESRS E2-5 | 34 | AR 28 – AR 30)

All *Safety Data Sheet*s (SDS) (were reviewed for a shortlisted set of procured products with potential to contain substances of concern as defined in Appendix IV of ESRS E2. Shortlisted products included fuels, lubricating oil, fertilisers, plant protection products (PPP), and cleaning agents. Packaging materials and food additives do not contain substances of concern above regulatory thresholds.

No substances of concern are generated during production.

Substances of concern sold as part of fertilisers and PPPs is equal to 207.77 tons.

Table 14. Substances of concern, t, Akola Group, 2024/2025

Category	Amount (tons)	Notes
Total amount of substances of concern used during production or procured	13,456.7	From shortlisted products in SDS review plus fuel
Total amount of substances of concern procured attributed to fuel	13,412.2	802.6 t from petrol and 12,609.6 from diesel
Total amount of substances of concern leaving facilities as emissions, products, or as part of products or services	207.8	Sum of emissions and sold products containing SoC
Amount of substances of very high concern used during production or procured	0	
Amount of substances of very high concern leaving facilities as subs	0	

# SUBSTANCES OF VERY HIGH CONCERN — TOTAL AMOUNTS GENERATED, USED, PROCURED AND LEAVING FACILITIES (ESRS E2-5 | 35)

No substances of very high concern (SVHC) as defined under REACH were identified in the shortlisted products reviewed. No SVHC are generated during production. Absence of SVHC is attributable to supplier compliance with REACH restrictions.

# ANTICIPATED FINANCIAL EFFECTS OF MATERIAL RISKS AND OPPORTUNITIES ARISING FROM POLLUTION-RELATED IMPACTS

(ESRS E2-6 | 39 a-c | AR 32; AR 34)

Material pollution-related risks include potential regulatory non-compliance under IPPC permits and associated community opposition. These may lead to operational restrictions, additional compliance measures, or, in severe cases, permit withdrawal. The Vilniaus Paukštynas case confirmed the potential for such risks to materialise, with the court upholding two significant breaches and the threat of permit revocation in the event of a third violation within twelve months. Anticipated financial effects over the medium term relate to capital investments in abatement technology and possible temporary production interruptions. Estimated potential Group level pollution related exposure (both risks and opportunities, if happening all at once and not overlapping): **up to 20% of normalised EBITDA**. Specifically, the abatement programme at Vilniaus Paukštynas, comprising more than EUR 2.6 million already invested and nearly EUR 2 million scheduled by year-end, represents a material financial effect. These expenditures reduce the likelihood of non-compliance and related community opposition risks.

# PERCENTAGE OF NET REVENUE, EXPENDITURES AND PROVISIONS RELATED TO POLLUTION

(ESRS E2-6 | 40 a-c)

For the reporting period ending 30 June 2025, the Group recorded **EUR 1,580,699 thousand in net revenue from contracts with customers**, which represents the denominator for this disclosure. All such revenue is derived from activities associated with pollution-related impacts, including farming operations, fertiliser and plant protection product sales, grain trade, feed production, food processing, and fumigation services. These activities rely on the use of fuels, energy, packaging materials, plant protection products, fertilisers and other inputs that generate emissions to air, water and soil, and are therefore fully in scope of ESRS E2-6.

A defined share of this revenue relates to the sale of fertilisers and plant protection products that contain substances of concern. **No revenue is derived from substances of very high concern (SVHCs)**, as none were identified in the Group's traded or manufactured products following the substance screening process.

**Operating expenditures** for pollution prevention, control and monitoring — including wastewater treatment, manure storage, chemical handling, dust suppression and emissions monitoring — are fully integrated into ongoing operations and are not recorded separately as major incident costs.

**Capital expenditures** associated with pollution prevention and control amounted to **EUR 4 million**, covering planned investments in biofilters, air purification systems and related infrastructure upgrades at the Vilniaus Paukštynas site in the Food Products segment.

No provisions for environmental protection and remediation costs were recorded as of the reporting date (EUR 0).

# ANTICIPATED FINANCIAL EFFECTS OF POLLUTION-RELATED IMPACTS, RISKS AND OPPORTUNITIES

(ESRS E2-6 | 39 a-c)

Financial effects are expected mainly from compliance-driven investments and operational adjustments required to meet environmental permit conditions. Medium-term impacts include equipment installation and site upgrades to avoid permit breaches. Effects considered cover regulatory fines, costs for corrective actions, capital investments in abatement equipment, and potential revenue loss from temporary operational restrictions. Most impacts are anticipated in the medium term (2–5 years), with potential long-term effects if emission thresholds are tightened. These assessments are based on the assumption of continued production volumes, full execution of planned pollution control investments, and regulatory changes aligned with recent EU industrial emissions policies.

### MATERIAL INCIDENTS AND DEPOSITS

(ESRS E2-6 | 41)

In 2023–2025, Vilniaus Paukštynas was found to have committed two significant pollution breaches within a twelve-month period, confirmed by the Supreme Administrative Court. The breaches involved airborne emissions exceeding permitted norms. No deposits or spills occurred. Corrective actions include installation of biofilters and air purification systems, with completion planned in the next reporting period.

# Water and marine resources

ESRS E3

### SCREENING SCOPE AND REACH

(ESRS E3 | E3.IRO-1 | DR 8 a | AR 1-15)

In 2024/2025, AB Akola Group undertook a systematic screening of all operational sites to identify actual and potential impacts, risks, and opportunities related to water and marine resources. The screening included 100% of sites across all geographies, regardless of size or materiality, covering own operations and relevant parts of the value chain.

We apply TNFD LEAP: Locate priority locations at river-basin level using WWF Water Risk Filter and WRI Aqueduct; Evaluate dependencies/impacts (groundwater reliance; sensitive discharges); Assess material risks/opportunities across own operations and value chain; Prepare/Report outcomes into ESRS 2 & E3 with actions, resources and financial effects."

The screening applied the **WWF Water Risk Filter 2023** with scenario-based forward-looking risk analysis for 2030 and 2050 (SSP1 – 2.6, SSP2 – 4.5, SSP5 – 8.5), cross-checked against **WRI Aqueduct** indicators. It assessed water stress, flood and drought exposure, pollution potential, and future availability. Screening results provided in the annex III,

Facilities were also screened against:

- Water abstraction and discharge permits (as per IPPC requirements), identifying dependency on groundwater and surface discharge constraints.
- On-site treatment technology status (biological, chemical, mechanical, oil separators, and sediment wells), and their link to community and environmental exposure.
- Use intensity per segment (e.g. poultry, dairy), to flag hotspots such as broiler house hygiene, hatchery cooling systems, and dairy milking routines.
- Community and regulatory exposure, including discharges to rivers (e.g. Mēmele, Dotnuvėlė, Zelvė, Rudamina, Dumsė).

Water-intensive sites such as **poultry slaughterhouses** and **dairy farms** were identified as relatively high dependency nodes, particularly where internal water reuse or circularity solutions are not in place. Conversely, entities like Dotnuva Seeds and Kauno Grūdai Food have implemented localized water-saving solutions (e.g. closed-loop autoclaves, recirculated cooling, or runoff management).

No site is currently located in areas of extremely high baseline water stress; however, future scenario-based risks (2030+) exist, especially for groundwater users. Screening was performed using the WWF Water Risk Filter 2023, with results cross-checked against WRI Aqueduct v4.0 baseline water stress indicators (see annex III). Surface water quality risks are present near broiler farms with direct discharge into regulated streams.

### CONSULTATIONS AND STAKEHOLDER INVOLVEMENT

(ESRS E3 | E3.IRO-1 | DR 8 a | AR 1-15)

In 2024/2025, water-related consultations were conducted at both site and regional levels. Internally, discussions included EHS managers, segment heads, and facility-level technicians responsible for water sourcing, monitoring, and wastewater compliance.

Externally, the following interactions took place:

- · Permit reviews and compliance inspections with environmental regulators in Lithuania and Latvia;
- Operational dialogues with municipal water suppliers and wastewater operators regarding network usage and shared infrastructure;
- Specific interactions regarding broiler facility discharges (e.g. Bauska, Rudamina) and alignment of treatment efficiency with updated permit thresholds.

In many poultry units (e.g. Kekava, Kaišiadorys), increased cleaning frequency and wastewater volume were discussed in relation to animal health and food safety. These consultations led to procedural adjustments (e.g. water pressure monitoring systems, cleaning protocol optimization, phased replacement of nipple drinking lines).

Consultations cover regulators, utilities and **affected communities** via S3 grievance/engagement near sensitive catchments (Rudamina, Dotnuvėlė, Mēmele, Zelvė). No basin-level multi-stakeholder water governance or community co-design initiatives were undertaken during the period, though informal coordination continues in areas with sensitive catchments (e.g. Dotnuvėlė stream, Rudamina, Zelvė).

# IMPACTS, RISKS AND OPPORTUNITIES

(E3.IRO-1 | DR AR 1 | AR 1-15)

In 2024/2025, AB Akola Group performed a comprehensive materiality assessment of water and marine resource-related impacts, risks, and opportunities across all geographic locations and operational segments, including the upstream and downstream value chain. The process applied the **double materiality principle** in accordance with ESRS 1 and topical standard ESRS E3.

The assessment confirmed that water and marine resources are material to AB Akola Group's business model and stakeholder landscape, driven primarily by operational water dependency, effluent risks, and the geographic diversity of water contexts across the Group.

## Key outcomes of the assessment:

- Operational dependency: Materiality is highest in the poultry and dairy sectors, where water is indispensable for hygiene, biosecurity, animal welfare, and product quality. Facilities such as hatcheries, broiler houses, and slaughterhouses exhibit continuous and process-specific water demand.
- **Discharge-related risks**: Several facilities discharge treated wastewater into **sensitive surface water bodies** (e.g. Rudamina, Dotnuvėlė, Mēmele, Zelvė), making compliance with effluent parameters critical to avoid environmental harm and regulatory breaches.

- **Groundwater reliance**: Numerous operations, particularly poultry farms and processing sites, rely on private wells for groundwater abstraction. Although all abstraction complies with permits, future **climate variability and regulatory tightening** pose a potential risk.
- **Community interface**: No current disputes with local communities have been recorded. However, risks remain in areas where industrial and residential/agricultural water demands coexist, especially during drought periods.
- Water circularity and conservation: The assessment identified significant constraints on implementing water circularity in core agricultural operations. Specifically, in poultry and dairy segments, water reuse is largely infeasible due to animal welfare regulations, hygiene requirements, and biosecurity protocols. Water used in animal drinking systems, hatchery environments, and product-contact applications must meet strict quality and safety standards, rendering internal recycling or reuse highly restricted. Therefore, while limited reuse is applied in certain non-contact uses (e.g. box prewashing, cooling), systemic circularity is not a viable option in these segments.

Despite these constraints, targeted water-saving measures (e.g. high-pressure washers, leak detection, well maintenance) are deployed where technically and ethically permissible.

Based on the above, water and marine resources remain a **material topic** for AB Akola Group. Mitigation strategies will continue to focus on precision in abstraction, robust wastewater treatment, and facility-specific improvements, guided by a commitment to regulatory compliance and responsible water stewardship.

Dependencies (groundwater wells; permit-based discharge) generate risks (abstraction caps; effluent upgrades) and opportunities (efficiency tech; non-contact reuse). Each dependency/impact is mapped to business effects and actions

# POLICIES (LINKED TO ESRS 2 MDR-P AND SFDR)

(E3-1 | DR 11 | AR 16-A 18)

In 2024/2025, AB Akola Group managed water- and marine resource-related impacts, risks, and opportunities through a **multi-layered policy framework**. This includes the **Group-level Environmental Protection Policy (EPP)**, segment-specific operational standards, **mandatory legal permits**, and binding commitments related to **food quality, hygiene**, and **animal welfare**.

The **Environmental Protection Policy**, approved by the Board in 2019, is implemented across **all companies of the Group**, regardless of size, location, or material impact. Key principles relevant to water and marine resources include:

- Full legal compliance with environmental laws across jurisdictions.
- Continuous reduction of resource consumption, including water.
- · Adoption of eco-friendly and non-polluting technologies.
- Transparent monitoring, communication, and public reporting of environmental indicators.
- Support for preventive measures and employee engagement in water-saving behaviour.

All sites are covered by the Environmental Protection Policy. No sites are in high or extreme baseline water-stress (WRI Aqueduct) in FY2024/2025; if any site enters high-stress, a site-level addendum will be adopted within 12 months.

## **Regulatory and Operational Controls in Poultry**

The poultry segment, accounting for approximately 90% of the Group's water use, operates under strict regulatory regimes that define:

- Water abstraction limits
- Discharge parameters for pollutants (e.g. COD, BOD, nutrients, fats)
- . Biological, mechanical, and chemical wastewater treatment standards
- Detailed obligations for sampling, monitoring, and reporting.

All water-related activities are regularly **inspected and verified** by competent authorities, in line with **national legislation** and **environmental permit conditions**. **Limits to Circularity: Bound by Food Quality and Animal Welfare**.

While the Group's policy promotes circularity in resource use, poultry and dairy operations face structural constraints due to:

- Animal welfare policies, which mandate continuous access to clean, safe drinking water for livestock
- Hygiene and food safety regulations, prohibiting water reuse in contact zones (e.g. processing, slaughter, hatcheries)
- Sectoral and legal limitations on water reuse, to prevent contamination or biosecurity risks

Therefore, **full circularity in water use is not technically or legally possible** in these operations. However, **partial reuse** is applied where it does not compromise product safety or compliance, such as:

- Reuse of non-contact cooling water
- Pre-washing cycles and recirculation in transport and cleaning processes
- Leak monitoring and pressure control systems to reduce waste.

These measures ensure that efficiency does not override essential regulatory and ethical obligations.

# **Integrated Governance**

AB Akola Group's water policy governance is cross-functional, involving:

- Environmental Health and Safety (EHS) officers
- Quality and hygiene managers
- · Veterinary and animal welfare compliance teams
- Engineering and infrastructure specialists

Overall accountability for water and marine resources rests with the Board, which receives regular reporting, while site-level implementation remains delegated to facility managers.

Policy implementation is regularly reviewed to align with the **Group's environmental strategy**, while ensuring **compliance with hygiene and welfare standards**, which are also codified in internal policy frameworks and third-party certifications.

#### Conclusion

The Group's water and marine resources management policy reflects a balance between sustainability objectives and legal, ethical, and operational constraints. The Group commits to:

- Environmental responsibility through policy and practice
- Compliance with binding regulations on hygiene and animal welfare
- Pragmatic water efficiency within safe, permitted, and compliant boundaries.

This holistic approach ensures that water stewardship aligns with both environmental impact reduction and the **core integrity of food safety and animal care** standards.

The Board is informed on water-related risks and compliance matters through consolidated sustainability reporting, ensuring integration of water topics into decision-making.

# WATER MANAGEMENT AND POLLUTION CONTROL (2024/2025)

(E3-1 | DR 12a-12c | AR 16-AR 18)

AB Akola Group manages water-related impacts through its Group-wide Environmental Protection Policy (EPP), which emphasises the importance of water saving and applies to all subsidiaries and is implemented with particular rigor in the **poultry segment**, accounting for nearly **90% of total Group water use**. All operations, regardless of location or materiality, follow **permit conditions**, local water sourcing laws, and internal controls to ensure responsible abstraction and discharge. Water treatment is governed by **site-specific permits** and includes mechanical, biological, and chemical processes. Facilities—especially poultry slaughterhouses—maintain treatment systems that meet regulatory thresholds for BOD, COD, nutrients, and fats. Groundwater and surface water monitoring is conducted where required.

The Group prioritizes **pollution prevention**, maintaining infrastructure (e.g. well rehabilitation, pressure monitoring) and ensuring rapid response to any risks. While **circular water use** is extremely limited in poultry and dairy due to **animal welfare**, **hygiene**, **and biosecurity requirements**, some recirculation is used in noncontact processes like transport and cooling.

Water-related considerations are embedded in **equipment design and operations**, aiming for efficiency without compromising quality, safety, or welfare. While the Group operates mainly outside high water-risk areas, it remains committed to **reducing water use where risks are identified**, guided by compliance obligations and good practice.

## SUSTAINABLE OCEANS AND SEAS

(E3-1 | DR 14 | AR 16-18; ESRS 2 | DR 62)

In 2024/2025, AB Akola Group has **not adopted a standalone policy specifically targeting sustainable oceans and seas**, as the Group does not operate in marine or coastal areas. Nevertheless, indirect impacts stemming from **maritime transport activities in both upstream and downstream supply chains** are recognised and addressed. Accordingly, marine resources are not material to the Group's operations. Residual impacts are managed contractually through the Partner Code of Ethics. Cross-reference: ESRS 2 DR 62.

Such impacts are governed through the **Partner Code of Ethics**, which is binding for all suppliers, contractors, and logistics partners. This Code establishes minimum environmental compliance expectations, including **adherence to national environmental laws**, responsible operational conduct, and **proactive environmental risk management**. The Partner Code forms an annex to all agreements, ensuring consistent application across jurisdictions and business functions. Accordingly, although a dedicated oceans and seas policy is absent, **marine-related risks are managed through contractual governance**, aligning with ESRS 2 | DR 62 in the absence of a formal policy.

# ACTIONS AND RESOURCES IN RELATION TO WATER AND MARINE RESOURCES, INCLUDING AREAS AT WATER RISK (E3-2 | 17, 19 | AR 19-AR 21)

Actions include well maintenance, leak detection via pressure monitoring, high-efficiency cleaning systems, and the operation of mechanical, biological, and chemical wastewater treatment to meet permit limits. Non-contact water is recirculated in cooling, transport, and pre-wash processes where feasible. Leak detection programmes were initiated in 2022 and continue annually; WWTP upgrades are constant and part of the maintenance thus completion is scheduled on a site basis, no general Group level deadline. Where water-related risks exist — such as surface discharge to sensitive streams, reliance on groundwater, or flood exposure — sites implement enhanced effluent monitoring, additional treatment stages, draw monitoring, drought coordination with municipal suppliers, and protective drainage and sedimentation systems.

Resources cover site-level environmental, health and safety staff, scheduled maintenance, environmental compliance budgets, and capital allocations for treatment infrastructure and protective upgrades. Operating expenses for water management are tracked within site-level compliance budgets. Capital expenditures are not allocated as a separate water line item and are integrated within broader infrastructure investment programmes. These measures follow the mitigation hierarchy: the Group seeks to avoid unnecessary contact water use through design choices and best practices; reduce consumption through leak and pressure control, high-efficiency cleaning and the reuse of non-contact water in cooling and pre-wash processes; restore and regenerate through drainage rehabilitation, sediment traps and runoff management; and, where possible, participate in collective actions such as basin- or municipality-level water stewardship programmes.

## TRACKING EFFECTIVENESS OF POLICIES AND ACTIONS THROUGH TARGETS

(ESRS E3-3 | 22)

Effectiveness of water-related policies and actions is tracked through continuous site-level monitoring of abstraction volumes and effluent quality. Reporting is based on inter-segment procedures and policies, with results consolidated at least twice per year. Compliance with environmental permit limits is the primary benchmark, and any exceedance triggers corrective measures. Responsibility for water target compliance lies with site-level managers, while oversight is ensured and reported to the Board. Resources for monitoring and compliance are embedded in site OPEX budgets; no separate CAPEX allocation exists. The Group has not adopted a voluntary quantitative water reduction target due to structural and regulatory constraints in poultry and dairy operations. Management instead relies on legally binding permit limits and operational efficiency measures in non-contact processes.

# RELATION OF TARGETS TO IMPACTS, RISKS AND OPPORTUNITIES

(ESRS E3-3 | 23 a-c)

No Group site is located in an area of high or extremely high baseline water stress. Management is achieved through continuous monitoring, enhanced effluent treatment at sensitive discharge points, and strict compliance with environmental permit limits. The Group has no direct operations in marine or coastal areas; indirect marine impacts from maritime transport are addressed through the Partner Code of Ethics, which sets binding environmental compliance requirements for all logistics partners. No Group-level quantitative target is set for water reduction due to operational and regulatory constraints in poultry and dairy segments. Reduction measures focus on non-contact uses, including leak detection, high-efficiency cleaning systems, and reuse in cooling and pre-wash processes where feasible.

Ecological thresholds & allocations were not applied; we rely on permit-based legal thresholds (Water Framework Directive). Responsibility lies with site management and operations leads.

Forward-looking water risks identified under SSP1 – 2.6, SSP2 – 4.5, SSP3 - 7.0 and SSP5 – 8.5 are aligned with ESRS E1 climate scenario analysis, particularly with regard to drought and flood exposure in 2030 and 2050.

# ADOPTED AND PRESENTED WATER AND MARINE RESOURCES-RELATED TARGET IS MANDATORY (BASED ON LEGISLATION) (ESRS E3-3 | 25)

In 2024/2025, AB Akola Group monitored water-related performance primarily through permit-based legal thresholds, but several **company-level operational targets** were also adopted. These targets complement compliance obligations and are applied within the most water-intensive activities of the Group.

### Lithuanian poultry operations

Target: maintain water-use intensity at current levels, avoiding increases in litres per unit of production. Focus is placed on efficient use of water in production processes and cleaning activities.

### **Plant-based production**

Target: reduce water consumption relative to output, with the objective that by the 2026/27 financial year total consumption will not exceed 0.47 m³ per ton of finished product.

## Latvian poultry operations

Target: reduce water consumption intensity by 1.3% (m³ per ton of production).

These operational targets are **voluntary management commitments** and apply in addition to mandatory abstraction and discharge limits set by environmental permits. Progress against them is monitored at company level through site-level metering and reporting.

The targets are directly linked to identified **impacts and risks**:

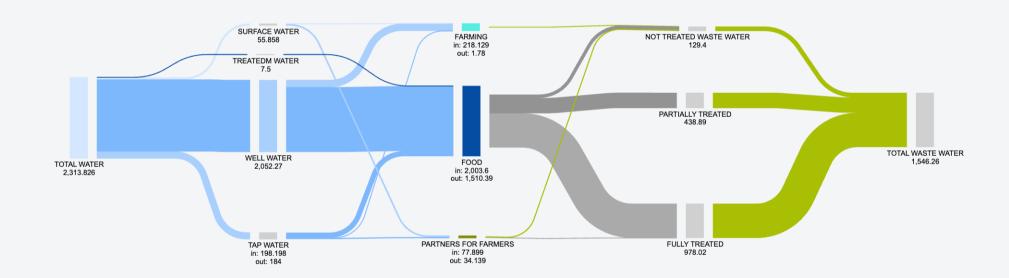
- · high dependency on water for poultry hygiene and biosecurity,
- operational efficiency in plant-based production, and
- cost and regulatory risks related to overall water consumption.

No ecological thresholds or basin-level allocations were applied. All Group companies remain bound by national permit limits under the EU Water Framework Directive, which constitute the **mandatory baseline** for water management.

# TOTAL WATER CONSUMPTION, RECYCLED AND REUSED WATER, STORED WATER AND CHANGES IN WATER STORAGE

(ESRS E3-4 | 28 a-28 d | AR 28)

Water data is 99.2 % measured, 0.01 % calculated, 0.79 % estimated using approved methods; intensity denominator per sector practice. No Group site is located in a high or extremely high water-stress basin according to WRI Aqueduct. Basin names by facility are listed in the annex III. Total water consumption in areas at high water stress is therefore **0** m³. Sensitive receivers (Rudamina, Dotnuvėlė, Mēmele, Zelvė) are subject to permit-based discharge management but are not classified as high-stress basins. Stored water and change in storage FY2024/2025: 0 m³ (no on-site storage beyond process vessels). Water recycling and reuse are limited to non-contact applications such as cooling and cleaning. These volumes are tracked at site level through permit-based reporting. Due to operational and regulatory constraints in poultry and dairy segments, recycled water remains immaterial compared to total Group water use.



Water consumption and waste water, by sources and segments, thous. m3, AB Akola Group 2024/2025

Table 15. Water withdrawal by source, thous. m3, AB Akola Group, 2022/2023 – 2024/2025

		Partners for fa	rmers + Others			Farming			Food	Total			
	2024/2025	2023/2024	2022/2023	2024/2025	2023/2024	2022/2023	2024/2025	2023/2024	2022/2023	2024/2025	2023/2024	2022/2023	
Tap water	78	37	39	1.29	1.2	1.4	160.6	160	121	198.2	159.3	161.7	
Water from well	0	1	0	204.7	193	201	1,848.2	1,834	1,840	2,052.3	2,028.4	2,040.4	
Surface water	0	0	0	11.95	11.95	21				55.9			
Recycled water	0	0	0	0	0		7.6	7.6		7.5			
Total	78	38	39	217.94	215	212	2,016.2	1,955	1,961	2,313.9	2,208.2	2,212.0	

Table 16. Effluent by type of discharge, AB Akola Group, thous. m³, 2022/2023 – 2024/2025

		Partners	for farmers	Farming					Food	Total		
	2024/2025	2023/2024	2022/2023	2024/2025	2023/2024	2022/2023	2024/2025	2023/2024	2022/2023	2024/2025	2023/2024	2022/2023
Untreated directed to third party treatment	29.7	26.6	14.9	1.5	2.0	6.0	96.5	152.7	152.7	129 362	181,8	173.6
Partially treated directed to third party treatment	0	0.0	0.0		0.0	0.0	438.9	419.5	384.9	438.9	419.5	384.9
Completely treated	0	1.0	1.2	0.2	0.0	0.1	975	979.7	901.0	978	980.6	902.3
Total	29.7	27.6	16.1	1.7	2.0	6.1	2,004.6	1,551.9	1,438.6	1,546.3	1,581.9	1,460.8

# **WATER INTENSITY RATIO**

(ESRS E3-4 | 29)

1.39 m³/ EUR million revenue – calculated as total water consumption divided by consolidated Group revenue for the reporting period.

Segment-level intensity indicators are calculated, assessed and reported internally.

# ANTICIPATED FINANCIAL EFFECTS OF MATERIAL RISKS AND OPPORTUNITIES ARISING FROM WATER AND MARINE RESOURCES-RELATED IMPACTS

(ESRS E3-5 | 33 a-c | AR 34)

The estimated potential Group level water related exposure (both risks and opportunities, if happening all at once and not overlapping): up to 7% of normalised EBITDA, as identified through the Group's Double Materiality Assessment (DMA). This figure is primarily linked to compliance with abstraction and discharge permit conditions and potential investment in additional treatment capacity at sensitive discharge sites. Financial effects are expected to stem from ongoing compliance obligations, potential upgrades to wastewater treatment, and maintenance of abstraction infrastructure. Impacts may also arise from drought-related constraints or future regulatory tightening affecting permitted volumes.

Effects considered include higher operating costs for water treatment, capital expenditures for upgrading facilities in sensitive catchments, and potential temporary production slowdowns if water availability is reduced. Related impacts involve regulatory compliance, operational continuity, and environmental protection.

Assumptions used in these estimates include stable production volumes, continued reliance on private wells for the majority of water supply, no significant change in geographic footprint, and regulatory developments aligned with the current EU Water Framework Directive and national implementation schedules.

### Potential financial effects are assessed across ESRS-defined horizons, based on DMA results:

- Short-term (1 year): additional operating expenditures for monitoring, abstraction fee compliance and routine permit management.
- **Medium-term (2–5 years):** capital expenditures for wastewater treatment upgrades in sensitive discharge locations and potential permit-driven infrastructure modifications.
- Long-term (>5 years): abstraction limits during drought periods, requiring operational adjustments and possible production slowdowns.

The effects are not cumulative and may materialise at any time depending on regulatory or climatic conditions. Uncertainty is classified as moderate, reflecting variability in hydrological conditions and unpredictability of permit renewal outcomes. Monitoring of financial effects linked to water-related risks is coordinated by facility management.

# **Biodiversity**

ESRS E4

## IMPACTS, RISKS, AND OPPORTUNITIES

(ESRS SBM-3 13-15 | ESRS E4-1 10-12 | ESRS E4-2 15-17 | ESRS E4-3 20a-c | AR 5-9)

The Group undertakes a structured assessment, integrating legal obligations, scientific data, operational knowledge, and precise geospatial analysis, to identify biodiversity-related transition and physical risks and opportunities. All identified biodiversity impacts are actual, negative, and affect soil, aquatic, and terrestrial ecosystems. These impacts are confirmed through field-level data, supply volumes, and geographical distribution analysis.

#### IMPACTS ON BIODIVERSITY AND ECOSYSTEMS

(ESRS SBM-3 14-16 | ESRS E4-3 20a-c | AR 10-12)

Our EU-based operations adhere to regulations yet exhibit identifiable biodiversity impacts across the value chain. The complete list of all operational sites is provided in annex IV.

## a) Own Operations:

Our crop farming (100% of managed land) and poultry operations in the EU contribute significantly to biodiversity loss and land degradation:

- Ecologically simplified production: Predominantly continuous monoculture critically limits species and habitat diversity.
- Chemical input reliance: Regular use of fertilisers and approved Plant Protection Products (PPPs) reduces microbial and invertebrate diversity.
- Habitat fragmentation: Removal of semi-natural elements (e.g., buffer zones, hedgerows) leads to functional habitat loss, despite no land conversion or deforestation.
- Soil degradation: Although reduced mechanical tillage is less harmful than conventional tillage, it can still negatively affect soil structure and microbiota.
- Poultry manure application (~82,000 t/year in Lithuania): Creates downstream biodiversity pressure, including nutrient runoff (N, P) causing eutrophication and potential pathogen spillover. However, our 100% antibiotic-free poultry in Latvia and 85% in Lithuania significantly reduces environmental antibiotic residues, improving soil microbial diversity.
- Permanent soil sealing: Infrastructure development (e.g., roads, buildings). The total sealed area under buildings (farms, manufacturing, storage, grain handling facilities) is 400 th. m². Land sealed by roads within our territories, yard plots, and other open-air areas approximates 500 th. m².

### b) Downstream Input Distribution:

As a major distributor of approximately 400,000 t/year of fertilisers and pesticides in the Baltic region, we indirectly contribute to widespread biodiversity loss, despite EU regulation:

- Fertilisers contribute to nutrient loading and water eutrophication (e.g., Baltic Sea basin).
- Herbicides and insecticides harm non-target species, including pollinators.
- Soil biodiversity is reduced due to chemical exposure.
- Products support input-intensive monocultures, further simplifying ecosystems.
  - All 400,000 tons of fertilisers and PPPs distributed are accompanied by biodiversity protection advice, precision agriculture recommendations, or delivered under certified responsible input programmes. All agrochemicals sold are compliant and sold to identifiable farmers.

### c) Upstream Sourcing Impacts:

- **Feed crops (soy, maize):** Sourced from high-deforestation-risk regions (e.g., South America). Voluntary certification (RTRS, ProTerra) mitigates risk, but structural risk from land conversion and ecosystem fragmentation persists. EUDR applicability (Dec 2025) increases compliance risks.
- **EU grain and seed sourcing**: In fully regulated markets, biodiversity loss results from monocultures, routine agrochemical use, and degraded pollinator and soil biota populations.
- Agrochemical and seed sourcing (LT, LV, EE): Contributes to biodiversity degradation by supporting high-frequency PPP use, fertiliser-driven nutrient imbalances, and soil and insect biodiversity decline across wide areas through customer use.

### Proximity to Natura 2000 Sites and Sensitive Species and Effect Assessment

Our operations, while fully compliant with EU regulations, carry an unavoidable risk of indirect biodiversity impacts due to their proximity to Natura 2000 sites (Special Protection Areas (SPAs) under the Birds Directive and Special Areas of Conservation (SACs) under the Habitats Directive). A **detailed geospatial analysis** is conducted, utilizing official data from the European Environment Agency and precisely applied to each managed land plot (owned and leased).

We have plotted and assessed **4300 unique land plots**, varying in size and shape, against their proximity to sensitive areas. Specifically, **285 unique land plots** (encompassing farming and manufacturing sites) are located closer than 500 meters to Natura 2000 sites, collectively adding up to an area of **1792 hectares**. **A comprehensive list of these Natura 2000 sites and their proximity to our operations are provided in annex VII.** In addition, we manage 12 land plots (116.4 ha) with Special Land-Use Conditions (SLUC) regulations, including 0.27ha of meadows and 7.835 ha of protected wetlands. This comprehensive analysis robustly maps our exposure to vulnerable and protected areas, including Natura 2000 sites and other nationally protected areas, providing a spatially differentiated understanding of biodiversity exposure based on distance, operational type (farming, poultry, grain processing, storage), and habitat sensitivity.

The most significant risks near protected areas relate to nutrient runoff, chemical drift, habitat fragmentation, sedimentation, and species disturbance, all recognized concerns even for "compliant" operations. In total, we accounted for 39 unique species with habitats within 500 meters from our agricultural and production sites that are listed on the IUCN Red List. The complete list of these identified IUCN species is provided in annex VIII.

Despite mitigation measures such as buffer zones and controlled input use, some residual biodiversity risks remain, particularly near Natura 2000 sites. These are actively monitored to minimize potential impacts but cannot be fully eliminated due to the nature of agricultural operations.

#### **Assessment Period**

This biodiversity impacts and risks assessment covers the short-term (1–3 years), medium-term (to 2030), and long-term (to 2050) horizons, consistent with the Group's climate and environmental scenario analysis. The proximity analysis of Natura 2000 and nationally protected sites reflects the current state (2023/24 baseline), while risk projections for nutrient runoff, chemical drift, habitat fragmentation, and species disturbance are modelled across the same short-, medium, and long-term periods.

### PHYSICAL RISKS, TRANSITIONAL RISKS, AND ECOSYSTEM SERVICE DEPENDENCIES

(ESRS SBM-3 17-19 | ESRS E4-2 15-17 | ESRS E4-3 20a-c | AR 13-15)

The Group has conducted a comprehensive, science-based assessment of biodiversity-related physical risks, transitional risks, and dependencies on ecosystem services, ensuring full alignment with the requirements of ESRS E4. This assessment covers 100% of Group-controlled operational sites and sourcing locations, applying advanced geospatial, ecological, and risk analysis methodologies to systematically identify, evaluate, and manage these factors.

A core element of this assessment was the application of the **WWF Biodiversity Risk Filter**, an independent, globally recognised, science-based tool that provided site-specific screening of all locations for exposure to biodiversity risks and dependencies on ecosystem services. The WWF tool, covering over 20 scientifically validated indicators, evaluates:

- · Physical risks linked to biodiversity loss and ecosystem degradation
- Dependencies on provisioning, regulating, supporting, and cultural ecosystem services
- Reputational and systemic risks arising from proximity to sensitive ecological and social areas

The results of the WWF assessment were integrated with internal agronomic, operational, and regulatory datasets, including geolocation mapping, land management records, and compliance data, ensuring a comprehensive, location-specific understanding of biodiversity-related risks and dependencies.

# **Key Findings**

## **Physical Risks Identified:**

The assessment confirmed that biodiversity and ecosystem degradation can materially affect the Group's operations and supply chains through:

- Soil erosion and reduced arable land productivity, primarily where aggressive ploughing or inadequate soil management occurs. These risks are actively
  mitigated through sustainable soil management practices.
- Disruption of essential ecosystem services such as pollination, pest control, and soil fertility, with potential impacts on operational efficiency and productivity. These risks are managed through biodiversity enhancement initiatives and controlled input management.
- Increased exposure to pests, diseases, or soil degradation resulting from wider biodiversity loss in surrounding landscapes.

#### **Transitional Risks Identified:**

The Group recognises transitional risks arising from regulatory, market, and stakeholder expectations related to biodiversity, including:

- Sourcing risks linked to dependency on high-deforestation-risk feed ingredients (e.g., soya), addressed through certification schemes and alignment with the EU Deforestation Regulation.
- Reputational and compliance risks associated with operations near protected areas and sensitive habitats, managed through strict compliance, geospatial monitoring, and site-specific controls.
- Market risks driven by consumer and investor expectations for biodiversity-positive products and responsible sourcing, mitigated by proactive certification, supply chain transparency, and biodiversity-friendly practices.
- Non-compliance with biodiversity protection requirements, particularly near Natura 2000 sites, carries significant regulatory risks, including subsidy withdrawal or operational restrictions.

### **Ecosystem Service Dependencies:**

The WWF Biodiversity Risk Filter, complemented by internal analysis, confirmed that:

- No Group site demonstrates an acute, irreplaceable dependency on critical ecosystem services such as wild flora and fauna availability, marine resources, or forest products essential for core operations.
- At the landscape level, Group operations are inherently dependent on the continued functioning of key ecosystem processes, notably:
  - o Soil fertility and structure, safeguarded through sustainable land management.
  - o Water availability and regulation, managed in line with national nitrate vulnerability regulations and precision input management.
  - o Pollination and pest control services, supported by biodiversity enhancement measures, even where production relies on self-pollinating or controlled systems.

The Group recognizes opportunities to further develop quantitative and spatially explicit data on ecosystem service dependencies to enhance the precision of risk assessments and biodiversity management, supporting continuous improvement in ESRS E4 disclosures.

#### **Quantitative Baseline Established:**

By integrating WWF Biodiversity Risk Filter results with operational and environmental data, the Group has established a quantified, location-specific baseline of biodiversity-related physical risks, transitional exposures, and ecosystem service dependencies. This baseline enables:

- Objective monitoring of risk evolution and dependencies over time
- Targeted, data-driven mitigation and biodiversity management actions
- Continuous alignment with ESRS E4 disclosure requirements and stakeholder expectations

The Group's structured, science-driven approach ensures that biodiversity-related risks and dependencies are systematically identified, objectively assessed, and effectively managed. This provides a robust foundation for operational resilience, regulatory compliance, and transparent sustainability reporting in accordance with FSRS F4.

### **POLICIES, ACTIONS, AND TARGETS**

(ESRS SBM-3 20-22 | ESRS E4-2 15-17 | ESRS E4-3 20a-c | AR 16-18)

While biodiversity governance is embedded within the Environmental Policy and internal procedures (see Section 2.2), the Group explicitly assigns management and Board-level accountability for biodiversity risk oversight. This governance structure ensures systematic monitoring, decision-making, and compliance aligned with ESRS E4 requirements.

### **Policy Stance and Management Approach**

The Group acknowledges biodiversity is a regulated component of EU agricultural operations. Our biodiversity management approach is fundamentally based on strict regulatory compliance, scientifically grounded risk assessment, and responsible operational controls. Group-level biodiversity compliance is a strategic goal; non-compliance risks significant subsidy loss or license revocation. Zero tolerance for shortcuts or negligence is imposed across all operations.

We reject exaggerated biodiversity claims or unsubstantiated 'greenwashing' initiatives. Our approach is driven by legal obligations, operational reality, and scientific risk assessments, not by marketing considerations. The Group has not adopted a biodiversity transition plan as defined under ESRS E4-1 Operating fully within the stringent EU regulatory framework, the Group actively manages biodiversity impacts through full compliance with land use and habitat protection laws. We implement all legally required biodiversity restoration measures and related actions, including those aligned with No Net Loss and Net Positive Impact principles where mandated, ensuring responsible stewardship within our direct areas of impact.

### **Internal Policies & Procedures for EU-Based Farming**

The Group's farming operations are conducted within the EU where land-use change, and deforestation are prohibited. Therefore, biodiversity issues focus on maintaining non-productive areas, complying with CAP conditionality, and preventing landscape simplification and nutrient runoff." It explicitly does not mention deforestation due to the EU-only context.

To ensure robust compliance and credibility under ESRS E4 and CAP, the Group implements internal policies and procedures for EU-based farming:

- Land Management & Habitat Protection Procedure: Covers CAP conditionality (GAEC 8: non-productive areas; GAEC 4: buffer strips; GAEC 6: soil cover). Internal maps track non-productive land, ecological features, and protected strips.
- **Biodiversity Risk Assessment Procedure:** Mandatory annual process to screen proximity to Natura 2000 sites, identify "hotspots," and document field-level risks, ensuring compliance with Birds & Habitats Directives.
- **Crop Protection and Fertilisation Control Procedure:** Internal SOPs set application timing, buffer zones, limits; mandate field-level record-keeping (nitrates, PPP); and identify prohibited substances/high-risk zones (near water, Natura areas).
- Soil & Landscape Monitoring Plan: Regular assessment of soil health (structure, compaction, organic matter), retained landscape features, and erosion risk areas (GAEC 5) for CAP and ESRS E4 disclosure.
- Incident & Compliance Procedure: Tracks pesticide spills, erosion, fertiliser run-off complaints; logs incidents, investigates proximity to protected habitats, and ensures corrective measures.
- Training & Awareness for Field Staff: Internal training on non-cultivation zones, wildlife sightings, and buffer/margin protection rules.

### **ACTIONS AND MEASURES**

### a) Own Operations:

For own operations, resources for biodiversity-related actions are inseparable from legal compliance. Operations cannot function outside these biodiversity and land management rules: any deviation would result in immediate loss of subsidies, operational restrictions, or permit withdrawal. Therefore, resources are not presented as separate voluntary allocations in EUR or FTE, but are fully shaped and enforced through CAP conditionality, GAEC standards, the Nitrates Directive, Natura 2000 obligations and related national compliance systems. These frameworks ensure that biodiversity actions in own operations are continuously and mandatorily resourced as an inherent condition of operating.

### Key measures applied across own operations include:

- Protective buffer zones along watercourses and vegetated strips to safeguard habitats and water quality.
- Controlled agricultural inputs to minimise land degradation, desertification and soil sealing.
- Precision agricultural technologies optimising input use and reducing environmental pressures.
- Monitoring of sensitive species and risks near Natura 2000 sites, including drift-reducing application, erosion control and reduced input use.

### b) Upstream Sourcing (Grain Procurement and Soya Cake Sourcing):

- Grain procurement (10-15% of Lithuanian agricultural land potentially sensitive) relies on national CAP compliance/GAEC enforcement.
- A clear roadmap for compliance with the EU Deforestation Regulation by December 2025. We commit to ongoing monitoring of biodiversity regulatory developments post-2025, ensuring timely adaptation of policies and practices to maintain compliance and operational resilience.
- Palm oil eliminated from food; rapeseed (EU-origin) and sunflower oils used (lower-risk despite monoculture association).

### c) Downstream Sales (Fertilisers and Manure):

- Mineral fertilisers: Promote best nutrient management practices, digital advisory tools, align with EU Farm to Fork Strategy/CAP conditionality to mitigate indirect impacts (nutrient runoff, soil biodiversity loss).
- **Poultry manure sales** (organic fertiliser, 100% antibiotic-free Latvia, 85% Lithuania): Significantly reduces environmental antimicrobial residues. Promote responsible composting, nutrient management, optimal application to minimize nutrient overloading/pathogen risks. This drives market change.
- Sales of precision agromachinery and farmer training promote biodiversity-friendly practices. Our target is to be a cutting-edge technology provider and
  user, educating farmers and offering the best possible, least damaging technology both in agromachinery and agrochemicals.

### d) Other Systemic Measures:

- Engagement with affected communities: Continuous direct engagement via land rental agreements, close professional relationships with farmers (training, technical support, advisory services) to promote responsible input use. Our advanced agromachinery further optimizes resource use and supports biodiversity.
  - o **Community Presence**: Local communities are aware of our operations and we are a significant employer. Our Group's poultry and plant-based product producers, with significant FMCG market exposure, are timely informed of end consumer pressures. Everyone is welcome to contact us via channels in the Affected Communities section.
- Avoidance of negative impacts on priority ecosystem services: Implement strict compliance (buffer zones, controlled input use, land management). Water
  quality is monitored at multiple levels based on activity. Support farmers in optimizing resource use to avoid unintended biodiversity impacts.
  - o **Soil Health Monitoring:** Largely voluntary outside regulated zones/subsidy-linked conditions. EU Soil Strategy (2021) pushes for stronger protection, but binding company obligations are still under development.
  - Nitrates Vulnerable Zones (NVZ) Soil Monitoring Obligation: Mandated by Lithuanian Gov. Resolution No. 1135 (2002), aligned with EU Nitrates Directive (91/676/EEC). Farmers in designated NVZs require mandatory soil monitoring for nitrogen, applying good agricultural practices based on results. The National Paying Agency/Environmental Protection Department verifies compliance; soil data is required for controls/payment conditions.

We proactively monitor evolving community concerns regarding biodiversity/ecosystem health, integrating them into operational decisions.

### **TARGETS AND KPIS**

(ESRS SBM-3 23-25 | ESRS E4-4 30-33 | AR 21-23)

The Group's biodiversity-related targets focus exclusively on maintaining the effectiveness of legally mandated management measures and reducing biodiversity risks within our operations and supply chain. As of the end of the reporting period, our targets are limited to legal compliance. The Group applies only legally required biodiversity KPIs and targets and does not pursue any voluntary biodiversity KPIs or targets beyond these legal obligations, thereby avoiding greenwashing or unsubstantiated claims. Our priority remains improving the implementation of established procedures to ensure practical outcomes and compliance with stakeholder and regulatory expectations.

For upstream sourcing, biodiversity risks linked to commodities such as soya are managed through voluntary certification schemes, which help reduce exposure to deforestation and ecosystem degradation. These measures form part of our responsible sourcing approach but do not constitute formal biodiversity targets or KPIs.

To ensure transparency and effective risk management, the Group monitors a set of operational biodiversity KPIs strictly aligned with legal requirements and risk controls. These include:

- Hectares of legally mandated buffer zones maintained adjacent to protected and sensitive habitats;
- Frequency and coverage of biodiversity risk assessments conducted across operational sites;
- Number and resolution status of biodiversity-related incidents and compliance audits.

These KPIs focus exclusively on compliance and risk mitigation, reflecting our commitment to responsible biodiversity management without engaging in unsubstantiated voluntary claims.

The Group will continue to monitor evolving biodiversity regulations and stakeholder expectations and adjust its management targets and disclosures accordingly to maintain compliance and meet emerging best practices

### 2.5. Official Reporting Resources and Requirements for Farming Companies

EU farming companies are subject to mandatory reporting for environmental/agricultural compliance, especially biodiversity and fertiliser use, ensuring transparency and accountability in land management/input application. Mandatory Systems Where Farmers Must Log In and Submit Data are listed in the Annex VI Biodiversity: Mandatory reporting

### FINANCIAL EFFECTS

(ESRS SBM-3 26-28 | ESRS E4-5 40-43 | AR 24-26)

The Group quantifies potential financial effects related to biodiversity and ecosystem risks and opportunities.

During the reporting period, no biodiversity-related incidents, non-compliance events, or regulatory fines occurred. All identified risks are actively managed in line with legal requirements. The estimated potential Group level biodiversity and ecosystem related exposure (both risks and opportunities, if happening all at once and not overlapping): up to 11% of normalised EBITDA

### **Quantitative Financial Effects**

- **Upstream soya dependency:** Estimated EUR50/ton market premium for certified, deforestation-free soya (EUDR requirement). This projects an additional annual cost of approximately **EUR4.05 million** for the Group, with poultry operations specifically facing about **EUR0.97 million annually**.
- No material biodiversity-related financial effects: For plant-based products, due to palm oil elimination and limited EU supply chain biodiversity pressure.
- No direct offset-related financial liabilities: As no biodiversity offsets are applied.
- No significant biodiversity-related fines or liabilities: zero instances in the reporting period.

### **Qualitative Financial Effects**

Financial risks are primarily linked to upstream sourcing and regulatory exposure:

- Increased sourcing costs due to mandatory certified deforestation-free feed ingredients.
- Reputational/compliance risks leading to market/supplier exclusion.
- A biodiversity-related compliance breach could trigger subsidy loss, which, based on current exposure, represents a material financial risk to the Group.
   Estimated potential subsidy impact is EUR 3.85 million.
- Opportunities: Enhanced market positioning via certified sustainable products, reduced compliance costs via precision technologies/resource efficiency.

Certain biodiversity-related financial risks, including potential regulatory fines and operational disruptions, are currently unquantified due to their contingent nature. The Group is developing enhanced methodologies to quantify these risks in future reporting cycles to improve transparency and risk management.

### Estimates rely on these critical assumptions:

- Full compliance with EU/national biodiversity/environmental regulations is maintained.
- Certified deforestation-free soya remains available with a stable EUR50/ton premium.
- Ecosystem service degradation (soil, water, pollinators) remains manageable via existing practices.
- No significant regulatory changes beyond current EU legislation (e.g., EUDR) during assessment.
- Stable market demand for certified, biodiversity-conscious products.

### RESILIENCE OUTLOOK

(ESRS SBM-3 29-31 | ESRS E4-6 45-47 | AR 27-29)

The Group's business model actively responds to biodiversity-related physical, transition, and systemic risks, demonstrating a forward-looking resilience.

- **Upstream:** Soya sourcing risks from high-risk regions are expected to significantly reduce with EUDR enforcement, requiring deforestation-free and traceable sourcing.
- **Own Operations:** Biodiversity risks from farming/production (nutrient runoff, habitat simplification) are present but managed effectively through strict compliance, buffer zones, and precision technologies.
- Downstream: Biodiversity risks are limited. We support biodiversity-friendly practices via precision agromachinery sales and farmer training.

While immediate financial impacts are contained, longer-term exposure from upstream deforestation-linked sourcing and own operation ecological simplification is significant. Management strategies reduce exposure (certification, compliance), but broader restoration/biodiversity-positive transformations remain largely untapped opportunities. We proactively manage these through mitigation, certification, controls, and biodiversity-positive initiatives, aligning with evolving regulations and stakeholder expectations.

### SYSTEMIC RISKS AND COMMUNITY ENGAGEMENT

(ESRS SBM-3 32-34 | ESRS E4-7 50-52 | ESRS E4-8 53-55 | AR 30-32)

### Systemic Risks to Own Business Model and to Society Have Been Considered

The Group assesses systemic biodiversity risks to both its business model and wider society.

From a business perspective, biodiversity risks are material to critical, particularly regarding upstream soya dependency (regulatory changes, market disruptions, reputational impacts). Own operations, though compliant, contribute to systematic biodiversity pressures impacting long-term land productivity, soil health, and regulatory risk profiles. Downstream risks (manure management, invasive species) are mild but part of the broader systemic risk landscape.

Beyond business, we acknowledge societal systemic risks: soil degradation, pollinator decline, water quality deterioration, and loss of essential ecosystem services. No material systemic biodiversity-related financial effects were identified during the reporting period. The Group's assessments confirmed that potential financial impacts from soil degradation, pollinator decline and water quality deterioration are effectively mitigated through compliance with EU regulations and operational controls.

### Consultations with Affected Communities Have Been Conducted

The Group engages continuously and practically with affected communities through land rental agreements, regular contact with farmers and landowners, and day-to-day operational interactions. Our operations span 57 municipalities and more than 100 elderships, where we maintain a visible presence as an employer and land manager.

Biodiversity-related concerns raised by stakeholders are systematically identified, documented, and integrated into risk assessments and operational decisions via established feedback mechanisms. While formal biodiversity-specific consultations are not routinely conducted, the Group maintains accessible channels for community feedback and grievance, ensuring timely and appropriate responses.

All required biodiversity assessments—including Natura 2000 proximity checks, soil monitoring, and protected area mapping—are rigorously performed and transparently shared with authorities and stakeholders.

The Group rejects symbolic or superficial engagement initiatives, prioritizing meaningful, fact-based dialogue aligned with regulatory compliance and operational realities. These can be performed as often as needed. The community engagement approach is periodically reviewed and adapted as regulatory requirements and stakeholder expectations evolve.

## Negative Impacts on Priority Ecosystem Services Relevant to Communities May Be Avoided

The Group explicitly recognizes that biodiversity loss and ecosystem degradation can adversely affect priority ecosystem services on which both our operations and neighbouring communities depend, including soil fertility, water quality, flood regulation, and pollination.

To minimize negative impacts, we implement strict compliance: protective buffer zones, controlled agricultural inputs, responsible land management. **Water quality is monitored at multiple levels** based on activity. Through comprehensive training, professional advisory services, and precision agrotechnologies, we support farmers in optimizing resource use and avoiding unintended biodiversity impacts.

### **Soil Health Monitoring and Obligations:**

Voluntary Monitoring: Soil health monitoring (e.g., organic matter, nutrient levels) is largely voluntary outside regulated zones/subsidy-linked conditions.

- EU Soil Strategy (2021): Pushes for stronger soil protection; binding company obligations are still under development.
- Nitrates Vulnerable Zones (NVZ) Soil Monitoring Obligation: Mandated by Lithuanian Gov. Resolution No. 1135 (2002), aligned with EU Nitrates Directive (91/676/EEC). Farmers in designated NVZs require mandatory soil monitoring for nitrogen, applying good agricultural practices based on results. The National Paying Agency/Environmental Protection Department verifies compliance; soil data is required for controls/payment conditions.

We proactively monitor evolving community concerns regarding biodiversity/ecosystem health, integrating them into operational decisions. These actions contribute to avoiding negative impacts on ecosystem services critical to both local communities and long-term operational resilience.

# Circular economy

ESRS E5

### **SCOPE AND SCALE**

(E5.IRO-1 | 11 a | AR 1-AR 7)

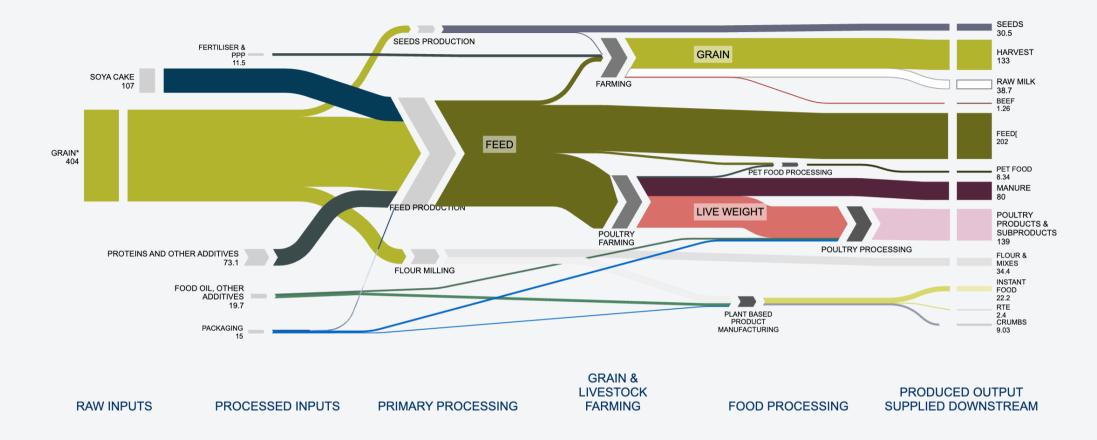
In 2024/2025 AB Akola Group screened 100% of its consolidated operations and relevant upstream and downstream value chain activities to identify actual and potential impacts, risks and opportunities related to resource use and the circular economy. The screening was mandatory for all segments and covered Food production, Farming, Partners for Farmers and Other products and services without exemption.

The scope included all operational areas: food, feed and seed manufacturing; agricultural production in grain, dairy and poultry farming; grain storage, elevators and trading; input trade and logistics; service activities such as fumigation and disinfection; and advisory functions delivered to farmers. Upstream coverage included suppliers of fertilisers, PPPs, feed, seeds, packaging, machinery, logistics and authorised waste handlers. Downstream coverage extended to private-label and retail packaging placed on the market, take-back and recovery schemes, food loss prevention, and waste treatment routes where the Group retains contractual or operational responsibility.

Methodologies and tools applied were consistent across all companies. ERP systems served as the primary source of procurement, production, packaging and waste data, linked directly to company bookkeeping. Supplier declarations, certificates and customer specifications provided evidence on material composition, recycled and renewable content, and recyclability. Farming activities were supported by nutrient management plans and field application logs for fertilisers and PPPs, and by transparent procurement records for dairy and poultry feed. Waste data was verified through weighbridge tickets, handler invoices and treatment certificates. Environmental permits, inspection reports and compliance filings were systematically reviewed.

Assumptions and thresholds were defined to ensure reliability and comparability. Reporting was based on actual throughput, with no reliance on inventories in fast-moving consumer goods and poultry operations. Packaging recyclability assessments assumed current EU recycling infrastructure capacity. Long-term circularity projects, such as manure-to-biomethane, were included with horizons beyond five years. Estimations were applied only when direct weights were unavailable, using conservative conversion factors. Site-level de minimis cut-offs were permitted only for immaterial micro-streams, with documentation retained.

Metrics and time horizons were consistently applied. Mass throughput in tons was used for materials, packaging and waste. Percentage shares were used for recycled, renewable and virgin inputs, as well as hazardous waste proportions and diversion rates. Screening covered short-term (1 year), medium-term (2–5 years) and long-term horizons, with extended assessments for 2030 (2021–2040) and 2050 (2041–2060). All results were consolidated with classifications, time horizons and justifications. Documentation is retained at site and company level, including ERP extracts, supplier and customer records, permits, handler certificates and inspection reports, to provide full traceability for audit purposes.



Flow of production materials, thous. tons, AB Akola Group, 2024/2025

### **CONSULTATIONS**

(E5.IRO-1 | 11 b)

Consultations on resource use and the circular economy are not conducted as isolated or occasional engagements but form part of the Group's business-as-usual operations. As a large-scale player in both FMCG and agro markets, the topic is continuously present in regulatory, commercial and technical dialogue. Permit renewals, inspections and compliance reviews with environmental authorities inherently include packaging, waste and by-product management, while private-label customers and retail partners set detailed requirements on material use, recyclability, durability and shelf-life as part of everyday contractual relations. Consultations with regulators, suppliers, customers, contractors, industry peers and consumers are structurally integrated into the Group's identification of impacts, risks and opportunities.

For private-label buyers, the significance is particularly high: global customers demand strict adherence to agreed quality and volume standards while imposing highly specific packaging specifications. This makes packaging and circularity discussions a permanent feature of commercial relationships. Choices are often bounded by these client requirements, which set the framework within which innovation or substitution can take place.

Suppliers, contractors and authorised waste handlers operate in close, continuous feedback loops with the Group. Compliance verification, recycled and renewable content, collection and segregation methods, and technical adjustments are discussed in real time as part of ongoing collaboration rather than separate projects. Recycling organisations, logistics providers and storage operators are likewise engaged on a regular basis, with packaging performance, damage reduction, recovery rates and alignment with treatment capacity forming part of routine operational discussions.

The Group is also consistently active in the wider professional environment. Circularity and resource use are recurring topics in university partnerships, industry conferences, and peer-to-peer exchanges. Participation in major trade shows and sector events ensures that the Group remains aligned with evolving standards, technologies and expectations, while contributing its own expertise to collective debate.

Consumer engagement is more indirect but equally relevant. Market demand signals provide continuous feedback, as consumers "vote with their money" on product formats and packaging choices. Products or options that no longer meet expectations lose share, while solutions aligned with market and regulatory standards gain traction. Further details on consumer engagement are disclosed under ESRS S4.

Because the subject is structurally embedded in daily business, outcomes of these constant interactions are directly reflected in packaging optimisation projects, nutrient recycling initiatives, waste reduction programmes and food loss prevention measures, and feed back into the Group's assessment of impacts, risks and opportunities related to resource use and the circular economy.

## POLICIES TO MANAGE IMPACTS, RISKS AND OPPORTUNITIES

(E5-1 | 14, 15(a) – (b) | MDR-P)

AB Akola Group manages environmental impacts under the **Environmental Protection Policy approved by the Board in 2019**. The policy applies across all consolidated companies and establishes **general commitments** to:

- comply with environmental legislation in all countries of operation;
- reduce energy, raw material and other resource consumption;

- prevent and manage waste responsibly;
- promote eco-friendly technologies and less harmful processes;
- ensure transparent reporting of environmental indicators;
- raise employee awareness and encourage responsible behavior.

The Policy does not explicitly address circular economy principles such as durability, reparability, recyclability or the use of secondary raw materials. These aspects are therefore managed operationally at company level – for example through packaging strategies with time-bound targets for recyclability and renewable content, nutrient recycling from manure, and refurbishment and resale of agricultural machinery

In practice, resource use and circularity are managed through instruments embedded in business operations. These include environmental permits, food safety and hygiene regulations, producer responsibility obligations, private-label and retail specifications, and supplier declarations. Compliance is monitored through ERP-based accounting of inputs and packaging, environmental audits, waste handler documentation and reporting to national authorities and EPR organisations. Compliance findings are acted upon through existing audit and corrective action procedures.

These combined policy and operational instruments apply to all Group activities, including food and feed manufacturing, farming, grain storage and trading, input trade, machinery services and advisory operations. Through this integrated framework the Group ensures that impacts, risks and opportunities related to resource use and circular economy are managed consistently across the value chain.

#### **ACTIONS AND RESOURCES**

(E5-2 | 19 | MDR-A)

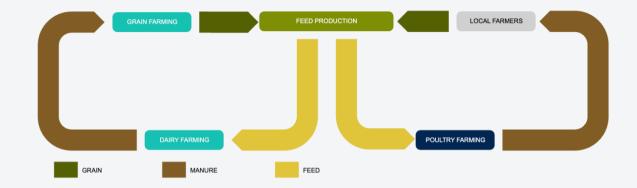
Actions to manage impacts, risks and opportunities related to resource use and the circular economy are integrated into daily operations across all Group activities. Resource efficiency and material use are tracked through ERP accounting systems and site-level monitoring, supported by supplier data and certificates. Information from all companies is consolidated to Group level and reviewed segment by segment to ensure full coverage of the consolidation perimeter.

Food and feed ingredients – 100 % virgin, renewable biological materials produced each agricultural cycle, sourced from the Group's own production and contracted suppliers. Actions focus on verifying ingredient quality, meeting food safety requirements, and ensuring traceability from source to intake. Resources include supplier approval systems, ingredient inspections, laboratory testing, and traceability databases.

Feed for livestock – 100 % virgin, renewable biological materials produced each agricultural cycle, sourced from the Group's own production and approved external suppliers. Actions focus on maintaining feed quality to meet nutritional specifications and safety standards. Resources include feed formulation systems, raw material quality checks, and feed traceability records.

Nutrient inputs – Nutrient circularity is inherent to livestock farming within the Group. In dairy operations, manure is applied directly on Group-managed fields, closing the nutrient loop between feed production and livestock waste. In poultry operations, manure is sold externally as an organic fertiliser, contributing to nutrient recycling in third-party cropping systems. These practices reduce reliance on virgin mineral fertilisers (manure and slurry account 91% of total nutrient inputs in volume terms) and represent a structural circular economy outcome of livestock production. Actions focus on precision application, storage and

monitoring to maximise recovery and minimise nutrient losses. Resources include nutrient management systems, field monitoring technology, application equipment, and manure storage and handling capacity.



Circularity of nutrients within the group.

Packaging – Packaging materials: 58% virgin, 42% recycled content, 52 % renewable materials. Packaging is essential for food safety, regulatory compliance, and product integrity, and is also the main area for advancing circularity. Actions include packaging material innovation, supplier development, and adaptation of packing lines. Resources include packaging development teams, capital expenditure for equipment upgrades, and budgets for material testing.

In own operations, actions focus on reducing packaging intensity, switching to renewable inputs and adapting packing lines to recyclable materials. Waste is managed through on-site segregation, reporting to national systems (e.g. GPAIS in Lithuania and equivalents in other Member States), and authorised handler documentation. Hazardous fractions are collected separately and transferred to certified contractors for compliant treatment.

In the **downstream value chain**, packaging responsibilities are managed through extended producer responsibility (EPR) schemes, customer take-back systems and contractual compliance with private-label and retail specifications. These downstream actions ensure that packaging placed on the market is recyclable, marked for correct disposal, and aligned with established collection and recycling infrastructure.

Other materials – metals, plastics and hazardous residues are monitored through site-level segregation, national reporting and authorised handler documentation, ensuring safe treatment and diversion from landfill where possible.

These measures address the Group's main opportunities to improve resource efficiency:

- retaining nutrients in productive use through manure recycling and fertiliser optimisation;
- preserving the safety and quality of food and feed products while reducing virgin material demand in packaging.

### TRACKING EFFECTIVENESS OF POLICIES AND ACTIONS THROUGH TARGETS

(E5-3 | 23 | MDR-T)

Effectiveness of actions on resource use and circular economy is monitored through operational indicators and defined, time-bound targets.

- In Lithuanian poultry operations, renewable packaging materials are targeted to account for 50 % of total packaging from 2024/2025 onwards.
- In Latvia, packaging placed on the market is to be reduced by 1.5 % yearly (base year 2023/24).
- In the plant-based food manufacturing business, at least 97 % of packaging is to be recyclable by the 2026–2027 financial year, with a substantial share manufactured from recycled sources.

Progress against these packaging targets is tracked through packaging specifications, supplier documentation and internal audits.

Packaging design avoids fusion of renewable and non-renewable materials in ways that would prevent separation and recycling. Material combinations are assessed to ensure that renewable and recyclable inputs can be effectively recovered in established EU recycling streams.

For other input categories described in E5-2 (nutrient use, feed, food ingredients, other materials), **no formal Group-wide quantitative targets are in place**. Effectiveness is assessed through operational KPIs maintained at company level, such as nutrient management records, feed traceability and waste reporting under national registers.

While the Group manages resource efficiency across all operations, packaging is the only material category where circular economy principles can be actively applied. Food and feed ingredients are inherently virgin biological resources and cannot be substituted or circulated after consumption, while nutrient cycling from manure occurs naturally within farming systems. Accordingly, the Group's quantitative circularity targets focus exclusively on packaging.

### DISCLOSURE OF HOW TARGETS RELATE TO RESOURCE USE AND CIRCULAR ECONOMY

(ESRS E5-3 | 24 a-f | AR 16-18)

Packaging targets directly address resource efficiency and circular economy performance in the food industry, where packaging is both indispensable for food safety and shelf life and the single largest material flow under the Group's control. In 2024/2025, the Group placed more than **31 th. tons of packaging on the market**, making this a major area of environmental responsibility.

The targets contribute to circular economy objectives by:

- **Reducing virgin material demand** shifting composition away from virgin inputs limits depletion of non-renewable resources and reduces exposure to raw material price volatility.
- Increasing renewable and recyclable content packaging is progressively designed to be recyclable within existing EU systems and to incorporate
  renewable, bio-based inputs.
- Lowering packaging intensity reduction targets minimise the overall volume of materials used per unit of production.
- Preventing waste and enabling diversion recyclable design supports recovery and prevents disposal to landfill or incineration.

- Ensuring compliance readiness targets prepare the Group for forthcoming requirements under the EU Circular Economy Action Plan and the new Packaging and Packaging Waste Regulation (PPWR).
- **Meeting customer and consumer expectations** sustainable packaging performance is increasingly a contractual requirement in private-label agreements and a decisive factor in consumer choices.

Because food and feed products themselves cannot be re-circulated once consumed, and nutrient recycling occurs naturally within livestock and dairy systems, packaging is the **core focus of circular economy targets**. Its scale and impact make it one of the most significant areas of responsibility for the Group's food operations.

### DESIGN FOR DURABILITY, UPGRADABILITY, REPARABILITY AND REFURBISHMENT

(ESRS E5-4 | AR 21-23 | E5-5 DR 35 | ESRS 2 SBM-3 | 10 a i)-iv))

In the Food Products and Farming segments, as well as in seed and feed businesses, outputs are inherently perishable or intended for consumption. Circular economy principles cannot be applied in terms of mechanical durability, upgradability or reparability. Instead, durability is expressed through strict quality assurance, food safety standards and guaranteed shelf-life. These measures reduce premature disposal, limit food loss and support resource efficiency, thereby contributing indirectly to circularity outcomes.

Within the agricultural machinery trade, Dotnuva Baltic contributes directly to circular economy objectives through strategic partnerships with equipment manufacturers upstream in the value chain, selected for their engineering practices that prioritise durability and reparability. Dotnuva Baltic does not produce machinery itself but complements these upstream design choices with a full-service model including repair, maintenance and guaranteed spare-parts availability for more than ten years, extending product lifecycles and avoiding premature disposal.

In addition, UAB Dotnuva Baltic offers retrofitted and refurbished machinery for resale. Each unit undergoes inspection and restoration of key components, enabling reuse and value recovery while reducing the need for new resource-intensive production.

Through these practices, the Group ensures that, where durability is technically feasible (in machinery), products are designed and maintained for extended use, while in food, feed, seed and farming operations, quality, safety and shelf-life management serve as the primary means of circularity by preventing waste and safeguarding resources.

### **CIRCULARITY OF PACKAGING AND MATERIALS**

(ESRS E5 | DR E5-2 | 26-29) | AR 2

Within the Group, material circularity can only be actively managed for packaging and fertiliser packaging. Other flows such as food, feed and seeds are perishable by nature, while manure nutrient cycling is inherent to livestock systems and fertiliser use remains subject to agronomic conditions. Accordingly, the disclosures below focus on packaging and related materials where the Group has direct influence over design, collection and recycling.

## **Own operations**

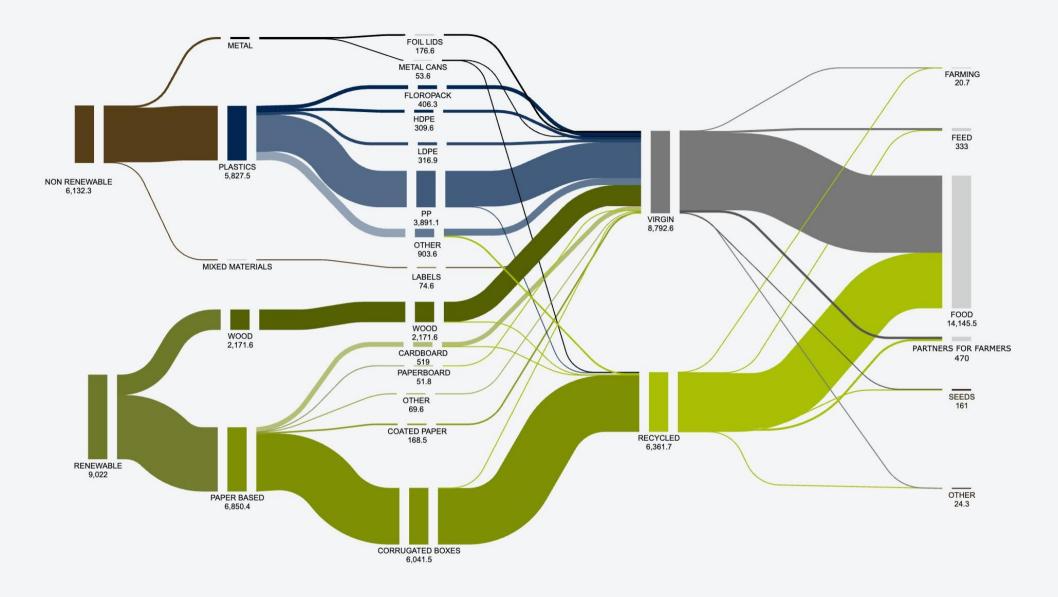
Bulk delivery systems are applied where feasible, and single-use packaging formats are avoided when the product form allows. Packaging specifications ensure that renewable and non-renewable materials are not fused in ways that prevent separation and recycling. Supplier documentation and ERP-based specifications track renewable share, recycled content and recyclability.

### **Downstream operations**

All packaging placed on the market is subject to extended producer responsibility (EPR) obligations in the relevant Member States. This covers fertiliser big bags, seed packaging, feed sacks and bags, as well as food product packaging. Fertiliser packaging is recyclable and marked with disposal instructions, and farmers are encouraged to return bulk bags through approved take-back schemes; options for reusable pallet containers for liquid fertilisers are under evaluation. Seed and feed packaging is reported through national systems and handled via authorised schemes, with recyclability under continuous review. Food product packaging is aligned with EPR obligations and established recycling infrastructure to ensure recoverability.

## Scale and composition

More than **15 thous. tons of packaging** were placed on the market in 2024/2025. Packaging composition was **58.1% virgin**, **41.9 % recycled**, and **59.5% renewable** materials, with a target of at least **97 % recyclable packaging by 2026/27**.



Composition of packaging by origin, and Group activities, t consumed, AB Akola Group, 2024/2025

### WASTE FROM PACKAGING AND PRODUCT USE

(ESRS E5 | DR E5-5 | 35-37 | AR 3)

## **Downstream operations**

Product loss or misapplication may result in local contamination. Customers are trained to avoid disposal of leftovers via drains or ditches, and to comply with safety data sheet (SDS) instructions. Unused fertilisers are either applied promptly or stored in original containers until use. Return and take-back options for fertiliser packaging are provided through authorised schemes.

### **Own operations**

Leftover products are stored and tracked; no field disposal is permitted. Damaged packaging is reported and returned. Container rinsing is not required for dry fertilisers, while liquid containers are triple-rinsed. Rinsates are reused in spray tanks. All residual products and rinsed packaging are transferred to authorised waste handlers in line with national regulatory requirements (e.g. GPAIS in Lithuania and equivalents in other Member States).

### WASTE

(ESRS E5| DR E5-5| 38-40 | AR 33)

Table 17. Waste generated t, AB Akola Group, 2024/2025

	Hazardous	Non-		
		hazardous		
	DIVERTED FR	OM DISPOSAL		
Reuse	29.5	130.8		
Recycling	30.5	10,967.3		
Other recovery operations	12.9	4,329.2		
TOTAL DIVERTED FROM DISPOSAL	72.9	15,427.3		
	DIRECTED	DIRECTED TO DISPOSAL		
Incineration (with energy recovery)	9.4	1,408.3		
Landfilling	30.2	3,175.3		
Other disposal operations	30.9	47.6		
TOTAL DIRECTED TO DISPOSAL	70.5	4,631.2		
Total waste	143.4	20,058.5		

Table 18. Waste generated by type t, AB Akola Group, 2024/2025

	Non-Hazardous	Hazardous
Batteries, Oils, Chemicals, Electronic waste (e- waste)	313.1	81.4
Non- metallic minerals	342.4	21.3
Metals	494.8	1.0
Plastics	1,259.6	3.0
Paper and cardboard	1,956.9	-
Textiles	-	0.1
Other	15,691.7	36.6
Grand Total	20,058.5	143.4

In 2024/2025 the Group generated a total of **20,201.9 tons of waste**, consisting of **20,058.5 tons non-hazardous** and **143.4 tons hazardous**. The largest fraction was mixed waste ("Other"), followed by paper and cardboard and plastics. Metals and non-metallic minerals represented smaller but still material streams. Hazardous fractions were a limited share of total waste.

Relevant waste streams for the Group include mixed operational residues, packaging from food, feed, seed and fertiliser activities, organic residues from farming and food processing, and maintenance-related waste such as metals, oils, batteries, chemicals and electronic components.

The main materials present in Group waste are mixed fractions, paper and cardboard and plastics. Secondary streams include metals and non-metallic minerals. Hazardous materials consist primarily of oils, batteries, chemicals and e-waste. Textiles were generated in immaterial quantities.

Waste data are compiled from weighbridge records, authorised handler invoices and treatment certificates. Classification follows EU and national legislation, and all volumes are reported through official national registers (e.g. GPAIS in Lithuania and equivalents in Latvia and Estonia). Group totals are consolidated from site-level reporting.

#### ANTICIPATED FINANCIAL EFFECTS

(ESRS E5-6 | 43a-c)

Based on Double materiality analysis, the estimated potential Group level circular economy related exposure (both risks and opportunities, if happening all at once and not overlapping): up to 19% of normalised EBITDA. This figure reflects cumulative exposure across packaging, waste management, and food loss risks, with subsegment calculations based on double materiality assessment results in food production, feed production, farming, and Group-wide packaging responsibilities. Impacts are primarily recognised as operating costs, not revenues.

#### **Qualitative disclosure**

- Short term (<1 year): Higher procurement costs for recyclable and renewable packaging, recurring waste treatment expenses, and episodic costs from recalls or food loss.
- Medium term (2–5 years): Stabilisation of packaging costs as recycled inputs become more widely available, ongoing waste management expenditure, and incremental gains from packaging optimisation and recovery.
- Long term (>5 years): Reduced exposure to virgin material price volatility, ongoing compliance with the Packaging and Packaging Waste Regulation (PPWR), and potential productivity constraints in farming if soil depletion materialises.

## **Description of effects considered**

Effects assessed include:

- Risks of food loss and waste leading to penalties, reputational damage, or compliance breaches in poultry, plant-based products, and feed operations
- Waste disposal costs and extended producer responsibility (EPR) charges
- Opportunities from converting unavoidable waste into energy or secondary products such as biomethane

- Procurement of mono-material and recyclable packaging formats
- Compliance with forthcoming EU PPWR obligations and retailer packaging requirements.

## **Critical assumptions**

- Production volumes remain stable across core business segments.
- Regulatory developments follow the EU Circular Economy Action Plan and PPWR schedule.
- Recycled and renewable packaging materials remain available at projected prices.
- Packaging innovation delivers required recyclability rates without major technical disruption.
- Agricultural soils retain productivity under current nutrient management practices, avoiding material long-term productivity losses.







ESRS S1

## OWN WORKFORCE INCLUDED IN SCOPE OF DISCLOSURE

(ESRS S1 | SBM-3 14 | AR 6-AR 7)

The Group includes all people in its own workforce who can be materially impacted by the undertaking in the scope of disclosure under ESRS 2. This covers employees under permanent and fixed-term contracts as well as non-employees engaged through rental or service arrangements within the consolidated reporting boundary.

### TYPES OF EMPLOYEES AND NON-EMPLOYEES IN OUR WORKFORCE SUBJECT TO MATERIAL IMPACTS

(ESRS S1 | SBM-3 14 a)

The Group's own workforce consists of employees with permanent and fixed-term contracts in Lithuania, Latvia, and Estonia across all business segments. Non-employees are engaged through rented workforce arrangements, primarily in poultry operations. Both employees and non-employees are subject to material impacts, including occupational safety risks, turnover, and integration into site-level operations.

## MATERIAL NEGATIVE IMPACTS OCCURRENCE (OWN WORKFORCE)

(ESRS S1 | SBM-3 14 b)

Material negative impacts arise from exposure to machinery, chemicals, and biological hazards, including zoonotic diseases, in poultry, farming, feed and plant-based production. Occupational incidents have occurred historically and remain plausible despite established OHS controls. As of 30 June 2025, the Group employed 2,759 line workers in Food processing, 300 in Farming, 404 in Partners for farmers, and 101 in Other products and services. In addition, 1,339 specialists worked in roles with potential occupational exposure. Together, these 4,903 employees represented 92% of the total workforce (5,314 employees). Alongside employees, 850 non-employees engaged through agencies or subcontractors also performed functions with comparable exposure, as recorded in OHS risk registers. Additional relevant impacts relate to high turnover in blue-collar roles, which increases recruitment and training needs and weakens workforce stability.

# ACTIVITIES THAT RESULT IN POSITIVE IMPACTS AND TYPES OF EMPLOYEES AND NON-EMPLOYEES THAT ARE POSITIVELY AFFECTED

(ESRS S1 | SBM-3 14 c)

Positive impacts result from continuous employment in rural areas, integration of site-level OHS systems, and competence development through mandatory training and certified audit frameworks. Employees benefit from retention measures and structured skill development; non-employees engaged through rental arrangements are covered by site OHS procedures and training requirements when working under the Group's operational control. These positive impacts are reinforced by systematic inclusion of workforce interests and rights in decision-making. Employees and non-employees provide input through grievance channels, safety consultations, training feedback, works councils and social audits, with outcomes reviewed by company management and escalated to Group level. Board members responsible for each business segment ensure that workforce perspectives influence operational planning, compliance, investment decisions and strategic development. Binding Group policies on human rights, equal treatment and occupational safety guarantee that employee rights and interests are embedded in the business model."

## DESCRIPTION OF MATERIAL RISKS AND OPPORTUNITIES ARISING FROM IMPACTS AND DEPENDENCIES ON OWN WORKFORCE (ESRS S1 | SBM-3 14 d | AR 44)

Material risks include fines, lawsuits, reputational exposure and production stoppages following occupational incidents. In the reporting year ending 30 June 2025, incidents resulted in 1.623 days lost, equal to 12,984 productive hours (0.14% of total 9,174,631 hours worked). The financial effects are complex: tasks are typically reassigned or completed through overtime, so direct 'downtime costs' are not separately tracked. In rare cases of full line stoppages, the impact can exceed EUR100 thous., but such costs are embedded within wider operational and productivity measures rather than isolated as accident-related expenses. Dependencies

on a trained and stable workforce create opportunities to reduce costs and improve productivity by strengthening retention, upgrading protective equipment, and enhancing biosecurity and health monitoring; these measures support audit performance and client requirements but are not expected to deliver gains above conservative EBITDA thresholds at Group level.

# MATERIAL IMPACTS ON WORKERS THAT MAY ARISE FROM TRANSITION PLANS FOR REDUCING NEGATIVE IMPACTS ON ENVIRONMENT AND ACHIEVING GREENER AND CLIMATE-NEUTRAL OPERATIONS

(ESRS S1 | SBM-3 14 e)

Transition measures—including refrigerant conversion, energy system upgrades and packaging changes—affect workers through new equipment, processes and materials, requiring reskilling, additional OHS training and tighter procedural control. While these changes reduce environmental impacts, they increase short-term demands on workforce competence and supervision, particularly in high-throughput production where process interruptions carry operational and financial consequences.

# OPERATIONS AND GEOGRAPHIC AREAS AT SIGNIFICANT RISK OF INCIDENTS OF FORCED LABOUR, COMPULSORY LABOUR, OR CHILD LABOUR

(ESRS S1 | SBM-3 14 f i-ii; 14 g i-ii)

The Group's operations are not considered to be at significant risk of incidents of forced labour, compulsory labour, or child labour. All consolidated activities take place in Lithuania, Latvia, and Estonia, under binding EU and national labour laws, collective agreements, and certification frameworks that provide safeguards against such practices. No operations are located in countries or geographic areas classified as high risk. All activities are subject to strict employment standards, including prohibitions on forced and child labour. All employees are required to provide official identification, and employment records are cross-verified through state systems, which prevents registration of non-existent or underage persons. Non-employees engaged through agencies or subcontractors are covered by the same legal requirements. Compliance is further ensured through regulatory systems, inspections, certification requirements and annual contract reviews. No instances were identified in the reporting year.

# PEOPLE IN OWN WORKFORCE AT A HIGHER RISK OF HARM AND WHICH OF MATERIAL RISKS AND OPPORTUNITIES RELATE TO SPECIFIC GROUPS OF PEOPLE

(ESRS S1 | SBM-3 15-16 | AR 8-AR 9)

The Group has developed an understanding of workforce segments that may be at greater risk of harm through occupational health and safety monitoring, audit outcomes, and the double materiality assessment. Particular focus is placed on employees and non-employees in poultry operations, where exposure to machinery, chemicals, and biological hazards creates elevated risks. Rented workforce engaged in these activities is identified as a specific group facing higher vulnerability due to potentially weaker protections compared to directly employed staff.

Material risks arising from these conditions include work-related injuries, fines, lawsuits, and production stoppages, while opportunities relate to strengthening retention, training, and protective measures for these groups. Improving occupational safety systems and integration of rented workforce into training and

compliance processes supports both risk mitigation and the creation of positive outcomes such as enhanced productivity, reduced turnover, and improved certification performance.

The Group has also committed to the inclusion of vulnerable workforce groups. This commitment is enforced through the following policies:

- Occupational Safety and Health Policy obliges all companies to integrate both employees and non-employees into hazard identification, risk assessments, and site-level safety systems.
- Policy on Human Rights, Prevention of Child and Forced Labour prohibits discriminatory treatment, requires freely entered contracts, and mandates equal access to complaint mechanisms for all workers.
- Equal Treatment Policy guarantees equal pay for equal work, equal access to training, career development, and benefits, and prohibits discrimination on multiple protected grounds.
- Code of Business Ethics commits managers and employees to fair treatment of all workers, safe working conditions, and rejection of child and forced labour.
- Policy on the Prevention of Psychological Violence and Mobbing ensures protection against humiliation, intimidation, bullying, and social isolation, with confidential reporting and designated responsible persons.

Together, these policies ensure that rented and temporary workers are integrated into occupational safety systems, receive training on equal terms with permanent staff, and have equal access to monitoring, reporting, and grievance mechanisms.

POLICIES TO MANAGE MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO OWN WORKFORCE, INCLUDING FOR SPECIFIC GROUPS WITHIN WORKFORCE OR ALL OWN WORKFORCE (ESRS S1-1 | 19)

The Group manages material impacts, risks and opportunities related to its own workforce through a set of binding internal policies and codes applicable to all consolidated entities. These include the Code of Ethics, the Supplier Code of Conduct, the Occupational Health and Safety Policy (approved 21 June 2019), the Equal Opportunities Policy (approved 10 September 2024), the Renumeration Policy (approved 28 October 2022), the Psychological Harassment and Mobbing Prevention Policy (approved 10 September 2024) and the Human Rights, Child Labour and Forced Labour Prevention Policy (approved by the Board on 10 September 2024, Decision No. 6), as well as grievance and whistleblowing procedures. Policies set requirements for safe working conditions, equal treatment, training and competence development, and integration of rented workforce into site-level safety and compliance systems.

Group-level policies are publicly available and accessible at <a href="https://www.akolagroup.lt/en/corporate-policies">www.akolagroup.lt/en/corporate-policies</a>. In addition, an array of company-level policies and internal orders are in place across subsidiaries, addressing company-specific risks and impacts, and ensuring that local operational requirements are aligned with Group standards, EU labour law, certification frameworks, and collective agreements.

HUMAN RIGHTS POLICY COMMITMENTS, GENERAL APPROACH TO RESPECT FOR LABOUR RIGHTS, ENGAGEMENT WITH WORKFORCE, AND MEASURES TO PROVIDE REMEDY FOR HUMAN RIGHTS IMPACTS
(ESRS S1-1 | 20, 20a-20c)

The Group has adopted the Group Policy on Human Rights, Prevention of Child Labour and Forced Labour, which prohibits child labour under 14 years of age, forced labour, trafficking in human beings, debt bondage, hereditary slavery, and the withholding of personal documents. Employment of young persons aged 14–18 is subject to strict requirements, including parental consent, medical clearance, and school approval. All employment and traineeship contracts must be freely entered into and terminable by the employee.

The Policy on Implementation of Equal Treatment guarantees equal pay for equal work, prohibits discrimination on grounds such as sex, age, disability, nationality, religion, social status, or political views, and ensures equal access to training, career advancement, and benefits. The Code of Business Ethics requires respect, fairness, safe working conditions, and explicitly rejects child and forced labour. The Occupational Safety and Health Policy sets obligations to maintain safe workplaces, preventive measures, and regular health checks. The Group Policy on the Prevention of Psychological Violence and Mobbing prohibits humiliation, intimidation, bullying, and social isolation, requiring training, designated responsible persons, and confidential investigation of complaints. The Personal Data Protection Policy safeguards the privacy and data of employees in accordance with GDPR and Lithuanian law.

Engagement with employees and non-employees is maintained through annual anonymous surveys under the Group Policy on Human Rights, grievance procedures under the Equal Treatment Policy and Code of Business Ethics, reporting channels under the Mobbing Policy, and health checks and training under the Occupational Safety and Health Policy. All policies guarantee confidentiality and protection against retaliation.

Remedy is provided through grievance and investigation procedures with defined deadlines. Corrective measures include removal of underage workers from inappropriate tasks, disciplinary sanctions for perpetrators of discrimination, harassment, or mobbing, and termination of contracts in serious cases.

# WHETHER AND HOW POLICIES ARE ALIGNED WITH RELEVANT INTERNATIONALLY RECOGNISED INSTRUMENTS (ESRS \$1-1 | 21 | AR 12)

The Group's policies are aligned with internationally recognised human rights and labour standards. The Group Policy on Human Rights, Prevention of Child Labour and Forced Labour is based on the Charter of Fundamental Rights of the European Union, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the ILO Forced Labour Convention No. 29. and the UN Convention on the Rights of the Child. The Policy on Implementation of Equal Treatment reflects principles set out in international instruments on human and civil rights, ensuring equal opportunities and protection against discrimination. The Code of Business Ethics requires adherence to international standards on human rights, labour rights, and fair working conditions. Together these policies ensure compliance with binding EU and national legislation while embedding international standards into operational practice.

# POLICIES EXPLICITLY ADDRESS TRAFFICKING IN HUMAN BEINGS, FORCED LABOUR OR COMPULSORY LABOUR AND CHILD LABOUR (ESRS S1-1 | 22)

The Group Policy on Human Rights, Prevention of Child Labour and Forced Labour sets binding rules prohibiting trafficking, forced labour, compulsory labour and child labour. It defines strict conditions for the employment of young persons, requires freely entered employment contracts, and forbids practices such as debt bondage or the withholding of personal documents. These prohibitions apply across all Group operations and are enforced through monitoring, grievance procedures, and corrective measures.

## WORKPLACE ACCIDENT PREVENTION POLICY OR MANAGEMENT SYSTEM IS IN PLACE

(ESRS S1-1 | 23)

Accident prevention is addressed through the Occupational Safety and Health Policy, which establishes procedures for hazard identification, risk assessments, health checks, and training to minimise workplace incidents and occupational diseases. Managers are accountable for providing safe processes, adequate resources, and emergency preparedness, while employees are required to comply with safety rules and contribute to maintaining a safe working environment.

Accident prevention measures specifically cover machinery, chemical exposure, biological hazards, and other physical risks associated with poultry, farming, feed, and food production operations. Monitoring includes the Total Recordable Incident Rate (TRIR) and follow-up investigations of reported accidents, with corrective actions implemented to prevent recurrence.

# POLICIES ON ELIMINATION OF DISCRIMINATION, COVERED GROUNDS, COMMITMENTS TO INCLUSION AND PROCEDURES FOR IMPLEMENTATION

(ESRS S1-1 | 24a-24d | AR 15-AR 16)

Elimination of discrimination is ensured through binding rules that prohibit all forms of discrimination, harassment, sexual harassment, and instructions to discriminate. These commitments guarantee equal pay for equal work, equal access to training, career advancement and benefits, and a workplace free from hostile treatment. Covered grounds include sex, race, nationality, citizenship, language, origin, social status, belief, convictions or views, age, sexual orientation, disability, ethnic origin, health, marital or family status, membership of a political party, trade union or association, and intention to have a child.

Inclusion is advanced through measures that enable persons with disabilities to apply for positions, develop careers, and benefit equally, together with protections for women during pregnancy and maternity, and temporary measures designed to support the integration of vulnerable groups. The Group has made binding commitments to these forms of inclusion through the Equal Treatment Policy, the Policy on Human Rights, Prevention of Child and Forced Labour, the Code of Business Ethics, and the Policy on the Prevention of Psychological Violence and Mobbing. These policies require equal access to training, health and safety, grievance mechanisms, and participation in workplace processes for all employees and non-employees, including those in higher-risk or vulnerable categories.

Implementation relies on structured procedures such as transparent recruitment and dismissal criteria, public vacancy announcements, clear promotion rules, and accessible grievance channels. Complaints can be submitted confidentially or anonymously, must be investigated within defined deadlines by a designated responsible person, and protection against retaliation is guaranteed. Breaches result in disciplinary action, while training, annual reporting, and preventive actions are used to strengthen diversity and inclusion in practice.

# HOW PERSPECTIVES OF OWN WORKFORCE INFORM DECISIONS AND ENGAGEMENT MECHANISMS, RESPONSIBILITY, AGREEMENTS AND EFFECTIVENESS

(ESRS S1-2 | 27 a-e | AR 18-24)

Perspectives of employees and non-employees are reflected in management decisions through multiple channels at company level. These include direct communication with managers, grievance mechanisms available at all times, training sessions, occupational safety consultations, and in some companies, SMETA (Sedex Members Ethical Trade Audit) social audits. Feedback collected through these processes informs the identification of risks, evaluation of workplace conditions, and implementation of corrective measures.

Engagement takes place continuously. Employees can raise issues directly, through elected representatives where works councils are established, or via other company-level procedures. Lithuanian law requires employers with 20 or more employees to set up a works council unless employee representation is otherwise provided by a trade union, ensuring formal structures for consultation. In practice, engagement is maintained through day-to-day communication, grievance handling, regular training and safety reviews, and, in selected operations, external social audits.

Operational responsibility lies with company-level representatives appointed by management to handle grievances, coordinate engagement, and report outcomes. These results are reviewed by company managers and integrated into ongoing decision-making.

At Group level, responsibility for ensuring workforce inclusion lies with the Board of AB Akola Group, with each Board member directly accountable for workforce matters within their respective business segment. Ultimately, the Group CEO holds the highest authority and is responsible for ensuring that inclusion and equal treatment commitments are applied consistently across all operations.

There are no global framework agreements in place. Worker rights are safeguarded through Group policies and compliance with EU and national legislation.

Effectiveness is assessed by tracking grievance resolution, monitoring corrective actions, reviewing outcomes of social audits where applicable, and gathering feedback during training. This process ensures that engagement leads to measurable improvements in workplace safety, inclusion, and overall employee well-being.

## INSIGHT INTO PERSPECTIVES OF VULNERABLE OR MARGINALISED WORKERS

(ESRS S1-2 | 28)

Perspectives of vulnerable groups, including young and rented workers, are identified through grievance channels, direct communication, training sessions, workplace risk assessments, and in some operations SMETA audits. Designated representatives investigate reports of discrimination, harassment, or mobbing, ensuring that concerns are addressed and corrective measures applied.

## REMEDY, GRIEVANCE CHANNELS, RESPONSIBILITY AND MONITORING

(ESRS S1-3 | 32 a-e | AR 27-32)

Remedy for negative impacts on employees and non-employees is provided through corrective actions embedded in company-level processes. Reported cases of discrimination, mobbing, or breaches of human rights are investigated by designated representatives, with disciplinary measures applied where necessary to remove risks and prevent recurrence.

Concerns can be raised through grievance procedures, whistleblowing channels, direct reporting to representatives, or confidential communication with management. Anonymous submissions are possible, and formal grievance and complaints-handling mechanisms are in place across all companies.

Each company appoints a responsible person to ensure grievance channels function effectively, guarantee confidentiality, and report outcomes. Where issues are not addressed locally, employees may escalate cases directly to the Group via official reporting channels.

All reports are registered, investigated within set deadlines, and documented. Effectiveness is assessed using grievance resolution data, timeliness of responses, corrective measures taken, and employee feedback. Effectiveness is monitored through resolution tracking, corrective actions taken, and annual reporting to company and Group management. Regular reviews and employee feedback support continuous improvement of these mechanisms.

Effectiveness is also evaluated with the involvement of stakeholders:

- Employee representation is included through works councils in Lithuania (where legally required), employee trustees or trade unions in Latvia and Estonia.
- External audits and certification processes are carried out across the Group, including social audits (e.g. SMETA) and occupational safety audits, which independently evaluate grievance mechanisms through documentation review and worker interviews.

This ensures that grievance mechanisms are continuously reviewed, both internally and externally, and that their effectiveness is validated with the participation of employees, their representatives, and independent auditors.

# ASSESSING WORKFORCE AWARENESS AND TRUST IN GRIEVANCE CHANNELS AND PROTECTION AGAINST RETALIATION (ESRS \$1-3 | 33 | AR 31)

Awareness and trust in grievance and reporting channels are assessed through employee feedback, workplace climate surveys in some companies, and the level of utilisation of grievance mechanisms. Reports and follow-up actions are reviewed at company and Group level to ensure that employees recognise channels as effective and reliable.

Policies include explicit protection against retaliation for employees and non-employees using grievance or whistleblowing channels. Confidentiality is guaranteed, and responsible persons are required to ensure that no hostile treatment or adverse consequences arise from raising concerns.

# ACTIONS TO PREVENT OR MITIGATE NEGATIVE IMPACTS, PROVIDE REMEDY, DELIVER POSITIVE IMPACTS, AND TRACK EFFECTIVENESS

(ESRS S1-4 | 38 a-d | AR 38-42)

Negative impacts are prevented and mitigated through occupational safety and health procedures, equal treatment measures, psychosocial risk prevention, and regular training. Company-level representatives investigate workplace accidents, cases of discrimination, harassment or mobbing, and apply corrective actions. Preventive systems include hazard identification, risk assessments, monitoring of Total Recordable Incident Rate (TRIR), and mandatory reporting of accidents, with follow-up investigations and corrective actions coordinated with regulatory authorities.

Remedy for material impacts is provided through the grievance and whistleblowing mechanisms described in S1-3 | 32 a-e, supported by internal investigations and disciplinary measures.

Positive impacts are delivered through initiatives that improve employee well-being and strengthen organisational culture: professional training and career development, employee engagement programmes, internal communication, health and wellness activities, and equal opportunity measures. Attention is also given to employee branding, recruitment timelines, and retention strategies to create a stable and motivated workforce. Participation in company events, ad hoc surveys, and performance initiatives are used to promote inclusion and strengthen workplace relations.

Effectiveness is tracked by combining quantitative and qualitative indicators: TRIR and other safety metrics, incident statistics, grievance outcomes, and follow-up on corrective measures; employee turnover and retention levels; recruitment times; results of engagement and ad hoc surveys; participation in company initiatives and events; and outcomes of internal and external audits, including SMETA (Sedex Members Ethical Trade Audit) social audits and inspections by regulatory authorities. The Group does not allocate or monitor dedicated financial budgets for these measures; related costs are included in operational expenditure and are not tracked separately.

# PROCESS TO IDENTIFY, MITIGATE AND PREVENT NEGATIVE IMPACTS, PURSUE OPPORTUNITIES, AND ENSURE PRACTICES DO NOT CONTRIBUTE TO HARM

(ESRS S1-4 | 39-41 | AR 34, 44-47, 37)

Impacts are identified at company level through daily interaction, audits, inspections, grievance channels and feedback. Managers determine responses in consultation with responsible persons and apply the preventive and corrective measures set out in S1-4 | 38, while Group oversight ensures lessons are shared and standards are applied consistently across companies.

Material risks are mitigated through occupational health and safety systems, equal treatment measures and monitoring of turnover and retention. Effectiveness is tracked using safety indicators, audit results and employee feedback. Opportunities are pursued through professional training, career development, well-being programmes and employee engagement initiatives that support retention, motivation and long-term workforce stability.

Workplace practices are reviewed against occupational safety and equal treatment requirements before implementation. Where concerns arise, corrective action follows the same procedures described in S1-4 | 38, ensuring that management routines reinforce, rather than undermine, workforce well-being.

# RESOURCES ALLOCATED TO THE MANAGEMENT OF MATERIAL IMPACTS AND MEASURES TO MITIGATE NEGATIVE IMPACTS FROM TRANSITION TO GREENER, CLIMATE-NEUTRAL ECONOMY

(ESRS S1-4 | 43, AR 43)

Resources are not tracked at Group level. Allocation is ensured at company level as part of normal operations. Companies provide the necessary staff, training, occupational safety functions, workplace health measures and grievance mechanisms to support the actions described in S1-3 | 32-33 and S1-4 | 38-40. These resources also cover measures needed to manage workforce impacts arising from the transition to greener and climate-neutral operations, including new technologies, equipment and processes. The need for resources is identified through company-level risk assessments, legal and regulatory obligations, audit results and workforce feedback.

## TARGETS SET TO MANAGE MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO OWN WORKFORCE

(ESRS S1-5 | 46 | AR 50-52)

The Group has set workforce-related targets to address material impacts, risks, and opportunities. The baseline year for these targets is 2021/22, when employee turnover was 35% and TRIR was 0.78. For 2029/30 these include maintaining a Total Recordable Incident Rate (TRIR) below 0.6, limiting annual employee turnover to no more than 35%, and ensuring that rented and temporary employees are covered by training and occupational safety programmes. Additional targets focus on equal treatment, prevention of discrimination, and integration of psychosocial risk management into workplace practices.

OHS training is a mandatory requirement under national protocols and regulatory frameworks and must reach 100% of employees and non-employees working under the Group's operational control. Compliance with this requirement is tracked through training records at company level.

Progress towards these targets is monitored through incident and turnover data, employee feedback, training coverage, and outcomes of internal audits and external reviews. Results are reviewed regularly by company management and consolidated at Group level.

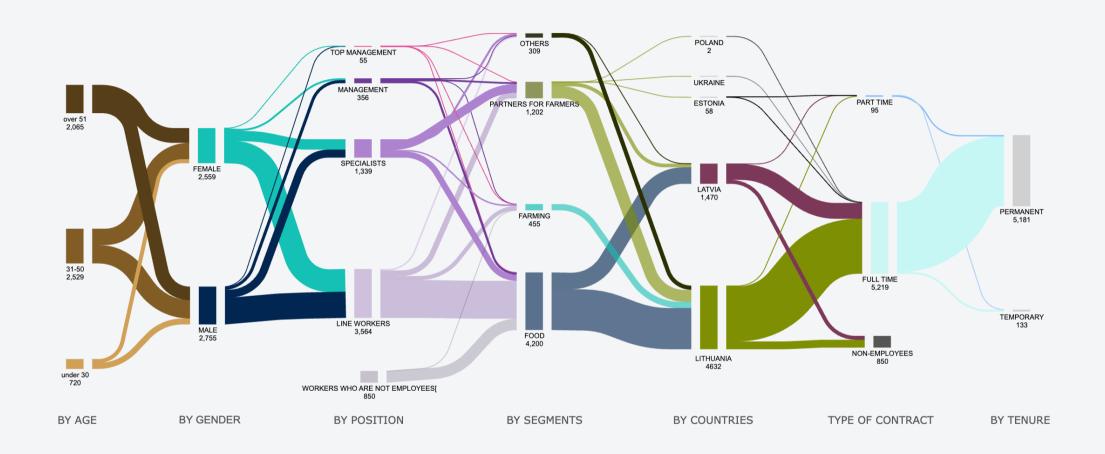
## HOW OWN WORKFORCE OR WORKFORCE REPRESENTATIVES WERE ENGAGED IN SETTING TARGETS AND TRACKING PERFORMANCE

(ESRS S1-5 | 47 a-c)

Engagement with the workforce on targets is carried out at company level. Employees and, where present, their representatives provide input through surveys, training feedback, and direct dialogue, which informs the setting of workforce-related targets. Tracking performance involves participation in audits, safety reviews, and workplace assessments, with feedback used to verify effectiveness. Lessons and improvements are identified through grievance outcomes, incident investigations, and employee feedback, ensuring that workforce perspectives shape continuous improvement.

## CHARACTERISTICS OF OWN WORKFORCE

(ESRS S1-6 | 50 a-c | AR 57)



Workforce break down, including non-employees, representing the last day of reporting period, AB Akola Group, 2024/2025

Table 19. (A) Number of employees (head count) by gender, including discontinued and headcount at the end of the reporting period, AB Akola Group, 2024/2025

	Employees (including	Employees at the end of the
Female	discontinued) 3,217	year 2,559
Male	3,591	2,755
Total	6,808	5,314

Table 20. (B) Number of employees (head count) by country at the end of the reporting period. AB Akola Group. 2024/2025

P =					
	Head count	% of total			
Lithuania	4,063	77%			
Latvia	1,189	22%			
Other	62	1%			
Total	5,314				

Table 21. (*C*) Number of employees (head count) by contract type, at the end of reporting period. AB Akola Group, 2024/2025

	Permanent	Temporary
Female	2,511	48
Male	2,670	85
Total	5,181	133

Table 22. Number of employees who left the group companies over the reporting period, AB Akola Group, 2024/2025

	<30	30-50y	51+	Total
Female	243	244	171	658
Male	336	296	204	836
Total	579	540	375	1,494

Table 23. Employee turnover, AB Akola Group, 2024/2025

	Number of employees end of period	Discontinued	Turnover rate %
Female	2,559	658	26%
Male	2,755	836	30%
Total	5,314	1,494	28%

# CHARACTERISTICS OF OWN WORKFORCE, METHODOLOGIES AND DATA CONTEXT

(ESRS S1-6 | 50 a, d, d i-ii, e, f | AR 58, AR 60)

The undertaking considers all employees as part of a single region, Europe, covering operations in Lithuania, Latvia, Estonia, Poland, and Ukraine. Workforce data are consolidated at regional level, reflecting the Group's integrated structure and consistent application of EU and national labour law standards.

Employee data are compiled from consolidated HR records across all Group companies within the reporting boundary and reconciled with payroll and social insurance submissions to ensure accuracy and completeness. Permanent and temporary contracts are classified according to statutory definitions, and discontinued employees are reported consistently across subsidiaries. The disclosure includes the total number of people employed during the reporting period, including discontinued employees. No estimation methods are applied.

Employees are reported in head count at the end of the reporting period, with disclosure of discontinued employees and turnover during the year.

Workforce data cover Group operations in Lithuania, Latvia, and Estonia, as well as two subsidiaries in Poland and two in Ukraine. All entities operate under EU labour law where applicable, together with national statutory requirements that ensure consistent employment standards and reporting obligations. The workforce includes a large number of line workers, whose retention rates are historically higher and more stable compared to other roles. Seasonal fluctuations are observed mainly in farming and grain handling operations, while poultry and food production activities operate year-round and are less affected by seasonality. All figures are derived from official submissions to local authorities, including payroll and social insurance records, and reflect the exact number of employed persons at the end of the reporting period.

The most representative number corresponds to the head count at the end of the reporting period (5,314 employees). This figure is reconciled with the consolidated financial statements and serves as the reference point for workforce disclosures.

### NON-EMPLOYEES IN OWN WORKFORCE

(ESRS S1-7 | 55 a-c, 57 | AR 63-65)

At the end of the reporting period, the Group's own workforce included 850 non-employees (558 women, 292 men). Of these, 91 were self-employed persons, including those engaged under civil-law contracts, and 759 were people provided by undertakings primarily engaged in employment activities such as agencies, staffing firms, or subcontractors.

Table 24. Number of non-employees in own workforce by gender, at the end of the reporting period, AB Akola Group, 2024/2025

	Total	Female	Male
Number of non-employees in own workforce	850	558	292

Table 25. Number of non-employees in own workforce by engagement type at the end of the reporting period, AB Akola Group, 2024/2025

	Total	Self-employed, including civil-law contracts	Primarily engaged in employment activities
Number of non-employees in own workforce	850	91	759

Data are compiled from company-level HR and contracting records and reconciled with contractual and invoicing documentation. Non-employees are reported in head count at year-end, with no estimation methods applied.

Non-employees form an important part of the workforce in high-intensity operations, particularly in poultry processing at AB Vilniaus paukštynas and AS Kekava Foods, where agency workers represent a significant share of production-line staff. Smaller numbers are engaged in grain handling, farming, and administrative support. Self-employed persons are primarily contracted for specialised services or project-based tasks. Seasonal variations in farming and grain handling create temporary increases in non-employee engagement. All figures reflect actual contracted headcount and are based on official company records.

# EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

(ESRS S1-8 | 60 a-c | AR 66)

In EEA countries where the Group has significant employment, 4,421 employees, or 83% of total employees, were represented through 10 works councils.

In addition, three companies had employees belonging to trade unions: AS Kekava Foods, AB Kaišiadorių paukštynas, and AB Vilniaus paukštynas. Union membership represented 1% of employees in Kekava, 6.97% in Kaišiadorys, and 4.65% in Vilnius.

Outside the EEA, the Group employs 2 people in Ukraine. These employees are not covered by collective bargaining agreements.

## **EMPLOYEES COVERED BY WORKERS' REPRESENTATION**

(ESRS S1-8 | 63 a-b | AR 69)

In countries of significant employment within the EEA, 83% of employees were covered by workers' representatives through works councils and unions. The Group does not have agreements with employees for representation through a European Works Council, a Societas European Works Council, or a Societas Cooperativa European Works Council.

# OWN WORKFORCE IN NON-EEA COVERED BY COLLECTIVE BARGAINING

(ESRS S1-8 | AR 70)

The Group's workforce outside the EEA consists of **2 employees in Ukraine**, none of whom are covered by collective bargaining or social dialogue agreements.

### GENDER DISTRIBUTION AT TOP MANAGEMENT LEVEL

(ESRS S1-9 | 66 a)

At the end of the reporting period, top management consisted of 55 employees, of which 17 were women (31%) and 38 were men (69%).

Table 26. Number of employees by position and by gender at the end of the reporting period, AB Akola Group, 2024/2025

	Female	Male	Total	% from total
TOP management	17	38	55	1%
Management	136	220	356	7%
Specialists	756	583	1,339	25%
Line workers	1.650	1,914	3,564	67%
total	2,559	2,755	5,314	100%

#### AGE DISTRIBUTION OF EMPLOYEES

(ESRS S1-9 | 66 b)

By age group, 720 employees (14%) were under 30 years old, 2,529 employees (48%) were between 30 and 50 years old, and 2,065 employees (39%) were over 51 years old.

Among employees under 30 years old, 291 were women and 429 were male employees In the 30–50 group, 1,189 were females and 1,340 were males. In the over 51 group, 1,079 were females and 986 were males.

Table 27. Number of employees by age and gender, at the end of reporting period, AB Akola Group, 2024/2025

	Female	Male	Total	% from total
<30y	291	429	720	14%
31-50y	1,189	1,340	2,529	48%
>51 <i>y</i>	1,079	986	2,065	39%
total	2,559	2,755	5,314	100%

### **ADEQUATE WAGE**

(ESRS S1-10 | 69 | AR 72-74)

All employees are paid an adequate wage in line with applicable national benchmarks and statutory requirements. The Group operates exclusively in European countries where minimum wage levels are regulated by law and regularly updated. Internal payroll systems ensure that no employee is paid below the statutory minimum or applicable collective agreement rate.

### EMPLOYEES PAID BELOW ADEQUATE WAGE BENCHMARK BY COUNTRY

(ESRS S1-10 | 70)

The disclosure of a table on countries and percentages of employees earning below the applicable adequate wage benchmark is **not applicable**. Based on the Group's double materiality assessment, all employees receive at least the minimum wage required by national legislation or collective bargaining agreements, whichever is higher. No instances of employees earning below these benchmarks were identified across Lithuania, Latvia, Estonia, Poland, or Ukraine. The percentage of employees earning below the applicable adequate wage benchmark is 0% in all countries of operation

### SOCIAL PROTECTION OF OWN WORKFORCE

(ESRS S1-11 | 74 a-e | AR 75)

All employees in the Group's own workforce are covered by statutory social protection schemes in their respective countries of employment. Coverage applies universally across Lithuania, Latvia, Estonia, Poland, and Ukraine.

- In case of sickness, income is protected through mandatory health insurance schemes.
- In case of unemployment, benefits are guaranteed from the start of employment through national systems.
   In case of employment injury or acquired disability, compensation and disability benefits are provided under statutory accident insurance schemes.
- During parental leave, paid maternity, paternity, and parental leave entitlements are guaranteed under law.
- Upon **retirement**, all employees contribute to and are eligible for income support through national pension systemsUpon **retirement**, all employees contribute to and are eligible for income support through national pension systems

#### SOCIAL PROTECTION EMPLOYEES BY COUNTRY

(ESRS S1-11 | 75, 76 | AR 75)

All employees, including non-employees engaged under rental or agency contracts, are covered by statutory schemes in Lithuania, Latvia, Estonia, Poland, and Ukraine. Coverage extends to sickness, unemployment, employment injury, parental leave, and retirement without exclusions by country or employee type.

# TYPES OF EMPLOYEES WHO ARE NOT COVERED BY SOCIAL PROTECTION

(ESRS S1-11 | 75 | AR 75)

No categories of employees or non-employees within the Group's workforce are excluded from social protection schemes. All workers are mandatorily covered by public programmes and statutory benefits in their country of employment. Therefore, no disclosure of uncovered groups is applicable.

## PERSONS WITH DISABILITIES AMONGST EMPLOYEES

(ESRS S1-12 | 79, AR 76)

At the end of the reporting period, the Group employed 124 persons with disabilities, representing 2% of the total workforce. Of these, 78 were female (3% of female employees) and 46 were male (2% of male employees).

Data on employees with disabilities are collected from official HR records based on employee self-declaration and statutory registration under national labour and social security systems. Figures reflect the head count at the end of the reporting period and exclude discontinued employees. Collection and reporting are subject to national legal restrictions on sensitive personal data; therefore, only aggregated information is disclosed. No estimations were applied in compiling the data.

#### TRAINING AND SKILLS DEVELOPMENT INDICATORS

(ESRS S1-13 | 83 a | AR 77)

Professional growth is supported through structured career development reviews and continuous training opportunities across all employee categories. In 2024/2025, one-third of the workforce participated in performance and career development reviews, with particularly high coverage among managers and specialists. This reflects the Group's commitment to building strong managerial and technical capacities, while also highlighting the need to extend review coverage to line workers.

Table 28. Own workforce who received career development reviews over the reporting period by position, AB Akola Group, 2024/2025

	Development reviews		% of total employees within the group		
	Female	Male	Female	Male	Total
TOP	13	35	72,2%	81,4%	77,4 %
management					
Management	114	204	83%	90%	87,7 %
Specialists	761	500	86%	84,9	86 %
Line workers	49	186	3%	9,7%	7 %
Total	836	928	32.5	33.5%	33.2 %

### AVERAGE NUMBER OF TRAINING HOURS BY GENDER

(ESRS S1-13 | 83 b | AR 78)

Training activities remain a central element of Akola's human capital strategy. Specialists recorded the highest intensity of training, averaging 21.82 hours per person, consistent with the Group's emphasis on technical expertise. Gender distribution in training hours shows no material imbalance, with men receiving only slightly more hours on average than women.

Table 29. Average number of training hours by gender, AB Akola Group, 2024/2025

	Total training hours	Employee number in the category	Average training hours per employee
Female	20,521.58	3,217	6.38
Male	30,304.37	3,591	8.44
Total	50,8255	6,808	7.47

# AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE BY CATEGORY

(ESRS S1-13 | 83 b | AR 78)

Table 30. Average number of training hours by employee category,, AB Akola Group, 2024/2025

	Total training hours	Employee number in the category	Average training hours per employee
TOP management	368.00	60	6.13
Management	2,052.80	390	5.26
Specialists	34,708.50	1,591	21.82
Line workers	14,928.00	4,767	3.13
total	52,057.30	6,808	7.65

**NOTE**: Training hours in each category are divided by head count throughout the financial year in the category, including discontinued employees. Differences in average training hours per employee arise from the data collection method: subsidiaries reported average training hours by employee category, which were converted into absolute training hours, aggregated, and re-averaged at the consolidated level.

#### **HEALTH AND SAFETY PERFORMANCE**

(ESRS S1-14 | 88 a-e | AR 80, AR 82, AR 89-91, AR 95)

The Group considers occupational health and safety a top priority. Work safety is integrated into all operations through preventive systems, regular audits, and continuous training, ensuring that employees and other workers operate under safe conditions.

### Percentage of own workforce covered by health and safety management system

100% of employees are covered by health and safety management systems based on legal requirements and recognised standards.

#### Fatalities in own workforce and other workers

There were **no fatalities** in the own workforce and no fatalities of other workers on Group sites during the reporting period.

#### Recordable work-related accidents and accident rate

The number of recordable work-related accidents in the own workforce was **39**. Based on **9,174,631 manhours**, this corresponds to a **Total Recordable Incident Rate (TRIR) of 0.85 per 200,000 working hours**. Zero incidents were recorded among workers who are not employees.

#### Recordable work-related ill health

There were **no cases of recordable work-related ill health** during the reporting period. One case was raised by a former employee to the state labour inspectorate, but it was not factually confirmed.

## Days lost to work-related injuries and fatalities

The total number of days lost due to work-related injuries was 1.622.9 days.

#### **Additional information**

During the reporting period, 61 occupational health and safety audits were carried out across Group companies.

## **FAMILY-RELATED LEAVE**

(ESRS S1-15 | 93 a-b, 94 | AR 96-97)

All employees are entitled to family-related leave through national social policy and collective bargaining agreements. During the reporting period, 237employees were entitled to maternity or paternity leave, of which 195 employees (82.3%) made use of this entitlement. By gender, 91 women (86% of those entitled) and 104 men (79% of those entitled) took maternity or paternity leave. In addition, 287 employees (4% of total workforce including discontinued) made use of family-related sick leave.

#### GENDER PAY GAP AND ANNUAL REMUNERATION RATIO

(ESRS S1-16 | 97 a-c | AR 98-102)

The Group's average gender pay gap was 24%. By employee category, the gap was 43% in top management, 12% in management, 26% among specialists, and 20% among line workers. The annual total remuneration ratio, calculated as the annual remuneration of the highest-paid individual compared with the median annual remuneration of all employees, was 36.8.

Data on gender pay gap and remuneration were compiled from payroll records across all subsidiaries and include all employees at the end of the reporting period. Figures are based on gross hourly pay derived from monthly payroll data, using the assumption of a full-time schedule of 8 hours per day, 5 days per week, and 4 weeks per month. Actual working hours per employee are not systematically collected, as national labour legislation in Lithuania, Latvia, Estonia, Poland, and Ukraine does not require detailed hourly reporting comparable to the United States system. Statutory obligations focus on gross monthly remuneration, pay structures, and equal pay compliance, but not on capturing individual-level hours.

For example, in Lithuania the Labour Code (Article 26) requires employers to ensure equal pay for equal work or work of equal value and to provide average remuneration by gender to employee representatives, but does not require systematic reporting of hourly pay data. Accordingly, the gender pay gap calculation follows ESRS methodology while reflecting these limitations.

## DISCLOSURE OF INCIDENTS OF DISCRIMINATION, COMPLAINTS, FINES AND CONTEXTUAL INFORMATION

(ESRS S1-17 | 103 a-d | AR 103-106)

There were no incidents of discrimination, no complaints filed through workforce channels, no complaints submitted to OECD National Contact Points, and no fines, penalties, or compensation for damages related to discrimination or harassment. No reconciliation items are recorded, and no contextual factors alter the interpretation of this data.

## Affected communities

#### SCOPE AND CONTEXT

(ESRS SBM-3 9 | AR 5-6)

As of mid-2025, the Group operates 108 sites across 57 municipalities in Lithuania, Latvia, and Estonia, forming the basis for assessing direct operational impacts on surrounding communities. Administrative offices in Poland, Ukraine, and the UK are excluded, consistent with ESRS S3 and EIA scoping, as they generate no material environmental or social impacts.

This section covers all materially affected communities linked to the Group's operations and relevant parts of the upstream and downstream value chain. Community impact assessments are not limited to site-level effects but are also considered in management processes: where material community concerns (e.g. opposition, permitting challenges, or reputational risk) are identified, they are addressed at company level, segment level, and Group level. These impacts are directly incorporated into investment planning and business development decisions, ensuring that significant community risks influence long-term growth and operational choices.

### **LOCAL COMMUNITIES**

(ESRS SBM-3 9(a) | ESRS S3-9a, 9b | AR 7)

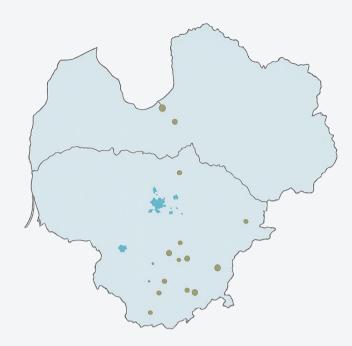
Affected communities include local residents, road users, municipal authorities, workers and families, and those near waste management, grain handling, or transport corridors.

Assessment radius is applied based on activity type, aligned with EU legislation and scientific studies:

**Poultry & Dairy Farms:** 3 km — odour, noise, water, traffic (IED 2010/75/EU as amended by 2024/1785; Nitrates Directive).

**Grain Farming Plots:** 1 km — dust, pesticide drift, noise, traffic (EU good practice). **Food & Feed Production Sites:** 500 m — noise, dust, odour, traffic (BAT Reference Document for Food, Drink & Milk Industries, 2019; national zoning).

**Grain Elevators (incl. ports):** 500 m — dust, noise, traffic, safety risks (EU BAT, national regulations).



Impact areas on local communities, AB Akola Group, 2024/2025

Machinery Sales & Service Centres: 200 m - noise, dust, traffic (WHO

Community Noise Guidelines, 1999).

**Feed & Fertiliser Retail Shops:** 100 m — highly localised nuisance (urban zoning practice).

 $\label{lem:definition} \textbf{Administrative Offices:} \ \ \text{No buffer} - \text{no material impacts.}$ 

ArcGIS is used to apply these buffer zones.

The figure above illustrates the locations of farming and poultry operation sites, providing visual context for the analysis. The population impact table below is based on overlapping buffer zones dissolved into a clean area of influence and intersected with harmonised 2021 census grid data (1 km resolution). Together, the figure and the table show the estimated affected population by activity and country.

Table 31 Estimated affected population by activity and country, thous. People, AB Akola Group, 2025

Activity Type	Assessment Radius	Lithuania	Latvia	Estonia	Total
Poultry Farms and Processing	3 km	48.3	20.1	_	68.4
Dairy Farms	3 km	6.0	_	_	6.0
Grain Farming Plots	1 km	15.1*	_	_	15.1
Grain Elevators	500 m	28.1**	8.8	_	39.9
Food and Feed Production Sites	500 m	12.3	_	_	12.3
Agricultural Machinery Centres	200 m	1.9	2.1	1.8	5.8
Feed and Fertiliser Retail Shops	100 m	2.0	1.2	_	3.2
Total (after overlap removal)	_	105.3	21.2	1.8	128.3

<sup>\*</sup>Dairy farm buffer zones fully overlap with grain farming areas.

#### **COMMUNITIES UPSTREAM VALUE CHAIN**

(ESRS S3-9a, S3-9b, S3-9d, S3-4)

Agricultural inputs, food ingredients, and agromachinery are sourced from diverse local and global suppliers. Community risks vary by input type and sourcing region:

**Grain** is sourced from Lithuania, Latvia, and Estonia. These inputs originate within the same countries as our operations. Direct site-level assessments are not applied to these local suppliers, as their production activities are already captured within the Group's own community impact buffers and therefore considered low incremental risk.

**Fertilisers** are supplied by certified EU producers. Recognised risks to nearby communities — air emissions, water contamination, odour, and industrial safety — are considered material at the point of production. Therefore, the Group requires supplier certifications, compliance audits, and regulatory evidence. These checks ensure that fertiliser producers operate within EU BAT and IED frameworks, which impose community protection obligations.

Other Food Ingredients are sourced from certified suppliers operating under international standards, including the OECD Guidelines. For most ingredients, supplier profiles and international regulatory controls indicate low risk to communities. Where risks may arise (e.g. large-scale processing in food hubs), they typically manifest as odour, traffic, and waste generation affecting surrounding populations.

<sup>\*\*</sup> Includes port facilities where approximately 8,000 people reside within 500 metres

Soya remains a high-risk input due to its known links to biodiversity loss, land use conflicts, and negative impacts on local and indigenous communities in certain sourcing regions. Currently, reliable supply chain data on community impacts is limited. The Group monitors developments in supplier traceability and expects risk management to improve with the implementation of the EU Deforestation Regulation (EUDR). Until full EUDR compliance is achieved, information gaps remain, and these risks are considered only partially mitigated.

Agromachinery is supplied by global brands. While production occurs outside our operations, the sector is associated with social and environmental risks. These risks are addressed through supplier certifications, Codes of Conduct, and publicly available information. The **obligations arising from these policies** include supplier adherence to ILO conventions on occupational safety, disclosure of environmental practices, and corrective action plans in case of community impact breaches.

Overall, upstream community risks are considered low or effectively mitigated, with soya as the key exception due to elevated risks and insufficient traceability at this stage.

#### COMMUNITIES DOWNSTREAM VALUE CHAIN

(ESRS S3-9a, S3-9b, S3-9d)

Downstream community risks relate to food products, agromachinery, seeds, and agrochemicals. Food products are sold to end-users, with community impacts covered in the end-user section, focusing on positive effects such as nutrition and food security.

Agromachinery, seeds, and agrochemicals are sold to farmers, creating an overlap with upstream communities. No additional material community risks are identified beyond those already assessed for upstream activities.

#### **NEGATIVE IMPACTS AND ASSOCIATED RISKS**

(ESRS SBM-3 9(b), 9(d), 10, 11 | ESRS S3-9d | AR 8)

Our operations cause systematic impacts on nearby communities: odour, noise, dust, and traffic. Poultry and dairy farms generate continuous odour and traffic. Grain elevators contribute dust, chemicals, and seasonal traffic peaks. Food and feed sites add noise, dust, and traffic. Farming and transport routes cause broader disturbance.

These impacts lead to community opposition, reputational risks, permitting delays, and complaints, especially near poultry farms and grain elevators. Vulnerable groups include low-mobility residents near poultry and dairy farms. Rural communities have limited alternatives if disrupted. Poultry and dairy farms carry the highest nuisance risk; grain elevators cause seasonal dust and traffic peaks.

## POSITIVE IMPACTS AND OPPORTUNITIES

(ESRS SBM-3 9(c), 9(d))

We provide jobs, economic activity, and invest in education, culture, and sponsorships. These support local acceptance and workforce availability.

### **UNDERSTANDING COMMUNITY VULNERABILITIES**

(SBM-3 | 10 | ESRS S3-2 22)

We map vulnerable groups using population data and proximity. Risks are highest near poultry, dairy, and grain sites.

- Low-mobility residents (e.g. elderly or disabled persons) are disproportionately affected by odour and traffic because relocation or avoidance is difficult.
- Households dependent on leased land face economic vulnerability if access or income is disrupted by operational impacts.
- Rural communities may have fewer alternative employment or housing options, which amplifies the effect of disturbances.

Community concerns are addressed through public consultations and direct engagement.

### SPECIFIC COMMUNITY GROUPS

(ESRS S3-9A, S3-11)

The Group leases 9.2 thousand hectares of arable land from 1,380 local landowners in Lithuania. These individuals, residing within affected communities, are key stakeholders. Responsible land management and long-term, trust-based relationships support both soil health and local economic stability.

### FOUNDATIONAL POLICIES AND HUMAN RIGHTS COMMITMENTS

(ESRS S3-1 14, 15, 16, 16(a), 17 | ESRS S3-2 23 | AR 13)

The Group's policies establish obligations that directly address impacts on local communities surrounding operational sites and in the value chain:

- Policy on Human Rights, Prevention of Child and Forced Labour obliges the Group to respect human rights in all operations, designate a complaints representative at company level, and exclude suppliers that fail to respect these standards. These measures ensure that local communities are protected from labour exploitation and have direct access to grievance mechanisms.
- Environmental Protection Policy requires companies to comply with all environmental regulations, reduce emissions and waste, monitor indicators, and promptly notify authorities and communities of any incident with potential significant environmental damage, followed by remedial measures. This ensures that local residents are informed and protected in case of environmental risks.
- Group Anti-Corruption Policy establishes zero tolerance for corruption in interactions with municipalities and local authorities, requires conflict-of-interest controls, and provides external reporting channels. This protects community interests by ensuring fair and transparent decision-making in permitting and land-use processes.
- Code of Business Ethics commits the Group to open dialogue with society, accurate and transparent information for authorities, and compliance with environmental law. This creates a duty to engage fairly and openly with local communities.
- Partner Code of Ethics extends these obligations to suppliers, requiring them to uphold human rights, occupational safety, environmental, and anti-corruption standards. This prevents negative impacts from being shifted onto communities in the supply chain.
- Group Risk Management Policy requires risks, including those affecting communities, to be identified, prioritised, and escalated through company, segment, and Group levels, ensuring that local community risks influence investment planning and business development decisions.

Together, these policies create binding obligations to prevent and remedy adverse impacts on local communities, safeguard their environment and rights, and quarantee that community-related risks are systematically integrated into management and decision-making processes.

The Group does not currently operate in areas with indigenous peoples. If this changes, measures consistent with the UN Declaration on the Rights of Indigenous Peoples and ILO Convention 169 will be applied.

### **COMMUNITY ENGAGEMENT FRAMEWORK**

(ESRS S3-1 16(b), S3-2 21(b)-(d), 24 | AR 14-15)

We engage with affected communities early to build trust, manage risks, and address concerns:

- Direct communication with residents near operational sites.
- Regular contact with 1,380 landowners
- Participation in legally required Environmental Impact Assessments (EIA).

Local grievance mechanisms for reporting concerns.

Engagement depends on legal obligations and operational developments. Site managers and relevant teams are responsible.

Effectiveness is monitored through feedback, complaints, and participation in formal processes. Engagement fully follows legal frameworks.

### **GRIEVANCE MECHANISMS AND ACCESS TO REMEDY**

(ESRS S3-3 27(a)-(d), 28 | AR 17-18, 22-24)

Concerns from affected communities are addressed through mechanisms that are visible, accessible, and legally compliant. Concrete grievance channels include:

- Direct contact with company-appointed community complaints representatives at each operational site.
- Dedicated telephone numbers and email addresses published on company websites and communicated locally.
- Possibility to raise concerns during public consultations and environmental procedures, which the Group systematically follows up.
- The Group's whistleblower procedure, operated and overseen internally, providing a confidential channel with strict prohibition of retaliation.

Awareness of these channels is ensured through the Group's visible local presence — farms, factories, and grain elevators operate in open community settings, where contact points are well known to residents and municipalities. In addition, information is shared during consultations, land lease agreements, and environmental procedures, and complaints representatives are publicly listed at site level and on company websites.

The Human Rights Policy requires each company to appoint a complaints representative as a direct point of contact for community concerns. The Whistleblower Procedure provides a confidential channel open to employees, partners, and external stakeholders. The Environmental Protection Policy obliges companies to

notify local authorities and communities immediately in case of incidents with potential significant environmental damage and to take remedial action. The Code of Business Ethics establishes a duty of open dialogue with society and transparent reporting to public authorities. The Partner Code of Ethics extends these requirements to suppliers, obliging them to maintain grievance mechanisms for human rights, environmental, and anti-corruption issues.

Complaints are centrally recorded and monitored for response time, corrective measures, and stakeholder feedback. Effectiveness is reviewed annually, with the involvement of landowners, municipalities, and other relevant stakeholders. Material impacts trigger corrective measures under Group policies and national law, with escalation to segment or Group level when necessary. Serious cases are addressed through remediation processes consistent with international standards.

Key national and EU legal requirements that govern grievance mechanisms are summarised in Annex IX (landscape – affected communities) and Annex X.

#### NON-RESPECT OF INTERNATIONAL STANDARDS

(ESRS S3-1 17)

There have been no known or reported cases of non-respect for UN, ILO, or OECD standards linked to affected communities. We monitor operations to maintain alignment.

#### ACTIONS TO MANAGE IMPACTS, RISKS, AND OPPORTUNITIES

(ESRS S3-4 | MDR-A | AR 28-29, 31-33, 36-37, 38-40, 42)

Actions are implemented at site, company, and segment level to prevent, mitigate, and remediate negative impacts on local communities. Legal requirements, including EIA, permitting, and operational restrictions, are applied. Complaints are addressed directly or through formal channels. Specific measures include:

- Odour and noise controls at poultry and dairy farms, including manure management improvements and traffic restrictions.
- Water protection measures in farming, such as buffer strips and nutrient management plans in line with the Nitrates Directive.
- Community notification procedures under the Environmental Protection Policy, requiring immediate disclosure and remedial action in case of incidents with potential significant environmental damage.
- Accessible grievance channels through complaints representatives, whistleblower procedures, and EIA consultations.
- Supplier obligations under the Partner Code of Ethics, extending human rights and environmental commitments to upstream operations.
- If negative impacts occur, corrective actions follow legal obligations and procedures, and are implemented in consultation with affected residents, landowners, or municipal authorities. Remedies are based on national laws, grievance mechanism outcomes, and Group policies.
- Positive contributions are made through land lease arrangements, employment in affected municipalities, and community investments in education, culture, and sports.
- Effectiveness is monitored using complaint tracking, resolution times, community feedback, and operational reviews. Community-related risks and required actions are identified through assessments, legal processes, and engagement, and are escalated through the Group Risk Management Policy to ensure they are integrated into business development and investment planning.

If adverse impacts occur, corrective actions are implemented in accordance with legal requirements and procedures, in cooperation with affected residents, landowners, or municipal authorities. Positive contributions are made by concluding land lease agreements, creating jobs in affected municipalities, and investing in education, culture, and sports.

Effectiveness is monitored through grievance logs, resolution times, community feedback, and activity reviews. Community-related risks and necessary actions are identified through assessments, legal processes, and engagement. These are escalated in line with the Group's risk management policy to ensure integration into business development and investment planning.

#### SEVERE HUMAN RIGHTS ISSUES OR INCIDENTS

(ESRS S3-4 36)

No severe human rights issues or incidents involving affected communities have been identified during the reporting period.

#### **RESOURCES ALLOCATED**

(ESRS S3-4 38)

Resources for managing impacts on affected communities are integrated into standard operations, including allocated budgets, employee time, and access to legal and technical expertise.

#### **FORMAL TARGETS**

(ESRS S3-5 41, MDR-T, AR 45-47)

No formal quantitative targets for affected communities have been set. Community impacts are managed through defined processes, legal compliance, and established engagement measures. The Group considers that existing processes are effective and therefore has not identified the need for formal numerical targets at this stage.

Management decisions focus on maintaining process-based controls that ensure compliance and responsiveness to community concerns, while effectiveness is tracked through grievance mechanisms, engagement outcomes, and operational monitoring.

#### COMMUNITY INVOLVEMENT IN TARGET IMPLEMENTATION

(ESRS S3-5 42a-c)

As no official quantitative targets have been established, affected communities have not been involved in target setting or monitoring. However, feedback is actively collected through grievance mechanisms and direct communication to support continuous improvement of management processes.

#### **COMMUNITY INVESTMENT**

(ESRS S3-1)

**AB Kauno Grūdai** built a food production facility in Alytus, Lithuania. The project created approximately 300 new jobs in the region.

**AB Šlaituva** expanded breadcrumb production in Kėdainiai, Lithuania. The expansion increased food processing capacity and provided new jobs for the local community.

**SIA Dotnuva Seeds** opened a certified seed production plant in the Jelgava region, Latvia. The plant supplies local farmers with certified seeds and provides new employment opportunities

**AS Ķekava Foods** sponsors EuroBasket 2025, an international sports event held partly in Latvia

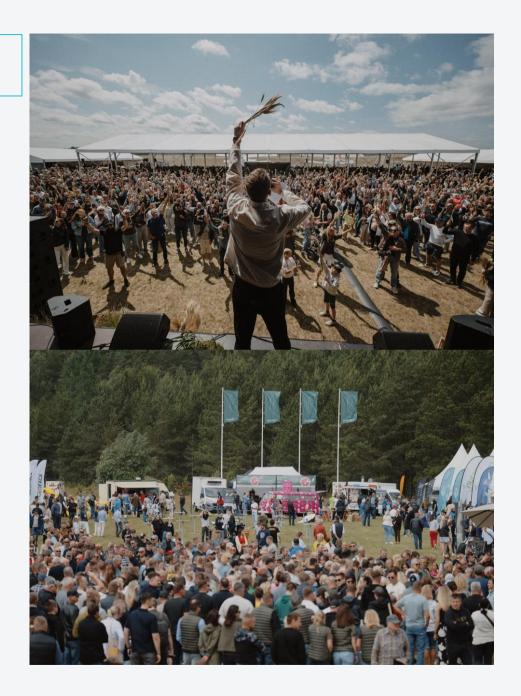
AB Linas Agro sponsors the Žalgiris basketball team in Lithuania. The company also organises the Grūdo Kelias agricultural knowledge tour across the Baltic states to support knowledge sharing among farmers

**UAB Akola Farming** and **AB Kauno Grūdai** cooperate with Vilniaus kolegija's Faculty of Agrotechnology on training, research, and career guidance.

**AB Vilniaus paukštynas** supports the Lithuanian U16 women's volleyball team preparing for the European Championship qualifiers.

Financial support and donations in 2025 included:

- Support to Ukraine EUR 62,800
- Education and schools EUR 37,400
- Local communities & culture EUR 69,991
- Sports & sponsorships EUR 172,353
- Business associations EUR 25,500
- Events & public engagement EUR 55,952
- In-kind product donations EUR 104,500



### **End users**

ESRS S4

#### STRATEGIC CONSIDERATION OF END-USER VIEWS AND INTERESTS

(ESRS 2 SBM-2 | ESRS S4 | AR 5-6, 14-17)

End users of the Group's products and services include almost all members of society: individuals who consume wheat, milk, poultry, and ready-to-eat meals; farmers who rely on seeds, fertilisers, plant protection products, and agromachinery; and processors who use Group-supplied grain and dairy. Their views, preferences, and lifestyle choices directly influence the Group's strategy. Trends in nutrition, demand for antibiotic-free protein, expectations for healthier processed foods, and preferences for sustainable packaging shape product portfolios and investment priorities.

Board members responsible for business segments integrate consumer and farmer feedback into strategic planning and business development. Retailer and private-label client requirements translate consumer expectations into production standards, while farmer consultations inform investments in agromachinery, advisory services, and certified seeds. This ensures that consumer and end-user perspectives systematically influence decisions on product design, service provision, and long-term investment.

#### SCOPE OF DISCLOSURE - CONSUMERS AND END-USERS

(ESRS S4-SBM-3 10 a i-iv | AR 5-6)

All consumers and end-users who can be materially impacted by the undertaking are included in the scope of disclosure under ESRS 2. This covers direct consumers of branded and private label food and feed products, farmers and agricultural clients purchasing seeds, fertilisers, plant protection products, and agromachinery, as well as downstream consumers of processed products incorporating Group-supplied raw materials. Indirect end-users reached through international commodity trade are also considered, ensuring systematic coverage of all materially affected categories in line with the Group's double materiality assessment.

The Group's activities materially affect:

- Direct consumers of finished products, including poultry, flour, instant foods, soups, preserved vegetables, and pet food.
- Farmers and agricultural clients purchasing certified seeds, fertilisers, plant protection products, feed, and agromachinery.
- Downstream consumers of processed products incorporating Group-supplied raw materials such as grain, feed, or dairy inputs.
- Indirect end-users in international markets reached through commodity trade, where Group products contribute to wider food system availability and nutritional access.

All of these categories are affected by product safety, nutritional quality, usability, and access, and are therefore included in the scope of disclosure.

#### MATERIAL NEGATIVE IMPACTS OCCURRENCE (CONSUMERS AND END-USERS)

(ESRS S4-SBM-3 10 b | AR 7-8)

Consumers and end-users may be negatively affected by microbial contamination in poultry and plant-based products (e.g. Salmonella, Campylobacter), which are naturally occurring biological risks in poultry production and food systems. Certain instant food products present nutritional profile concerns due to high sodium and saturated fat content, particularly impacting vulnerable groups. Failures in feed safety, such as contamination with mycotoxins or pathogens, may harm livestock and indirectly compromise the safety of animal-derived food for end-users. These risks are inherent to the sector and have been identified as material based on systematic monitoring of consumer safety incidents, internal food safety audits, official inspections by national food and veterinary authorities, and scientific evidence.

#### **POSITIVE IMPACTS**

(ESRS S4-SBM-3 10 c | AR 7-8)

Positive impacts arise from the provision of affordable and accessible staple foods produced at industrial scale. As a large integrated food manufacturer, the Group contributes significantly to food availability and affordability in its home markets. In 2024/2025 the Group supplied approximately 14 thous. tons of protein (from poultry and milk). The Group's production of milk, meat, instant food, ready-to-eat meals and flour provides about 544 billion calories — the equivalent of three months of dietary needs for Lithuania's population. These outputs reach diverse consumer groups: low-income households benefiting from access to affordable nutrition, families and children relying on staple foods for daily energy intake, and farmers and agricultural operators supported through reliable supply of inputs and advisory services. Flour and cereal products are globally recognised staple foods and primary sources of dietary energy (FAO, "Staple Foods: What do people eat?", 2021). Dairy production represents an efficient and reliable source of raw milk, classified as a staple food and an essential provider of calcium and protein in European diets (EFSA, "Scientific Opinion on Dietary Reference Values for Nutrients", 2017). Poultry provides affordable animal protein with a favourable nutrient profile compared to higher-fat meat products, and the Group ensures high production standards with 100% antibiotic-free poultry in Latvia and 85% in Lithuania (WHO, "Healthy diet", 2020; FAO, "Meat and Meat Products in Human Nutrition", 2013). Farmers additionally benefit from access to agromachinery and technical advice that support productivity and food security. These positive impacts have been identified as material based on production volumes, public health data, international nutritional guidelines, and assurance from external certification processes.

## UNDERSTANDING OF HOW CONSUMERS AND END-USERS WITH PARTICULAR CHARACTERISTICS, WORKING IN PARTICULAR CONTEXTS, OR UNDERTAKING PARTICULAR ACTIVITIES MAY BE AT GREATER RISK OF HARM

(ESRS S4-SBM-3 11 | AR 7)

The Group recognises that certain consumer and end-user groups face heightened risks due to their specific characteristics or contexts. Vulnerable populations include children, elderly people, low-income households and individuals with dietary restrictions, who are more exposed to negative nutritional impacts of processed foods with high sodium or saturated fat. Consumers relying on poultry products are at greater risk from microbial contamination if handling and cooking practices are insufficient. Farmers using agricultural inputs face specific risks from improper use of fertilisers or plant protection products, which can affect both safety and productivity.

These groups are identified as vulnerable based on established evidence: WHO and EFSA classify children, elderly people and low-income households as groups at higher risk of negative health outcomes from poor diet or foodborne illness. EFSA guidance also highlights risks to farmers from improper use of fertilisers and plant protection products. The Group's own complaint data and food safety audits confirm that incidents, when they occur, disproportionately affect these categories of consumers and end-users.

To address these risks, the Group develops targeted communication, product labelling and advisory services, **supported by certified quality standards**, ensuring that higher-risk groups are specifically considered in product design, safety management and end-user engagement.

#### MATERIAL RISKS AND OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS

(ESRS S4-SBM-3 10 d, 12 | AR 7-8)

Material risks relate mainly to food safety, product integrity and data protection. In food products, microbial contamination and failures in hygiene, temperature control, traceability or packaging may result in recalls, certification loss and client delisting, directly affecting consumer health and confidence. Poor nutritional profiles, particularly high sodium or saturated fat content, create risks of negative health outcomes, regulatory scrutiny and reputational impacts. These risks disproportionately affect children, elderly people and low-income households, as confirmed by WHO and EFSA dietary risk assessments.

For agricultural inputs, misuse of fertilisers and plant protection products by small and mid-sized farmers creates elevated risks of health and productivity losses. In agromachinery, operator safety incidents remain a material risk for farmers and rural workers, while non-compliance with CE and safety standards increases exposure. In the Partners for Farmers segment, the processing of personal data of farmers is necessary for commercial activities and creates privacy and data protection risks if not managed properly.

Material opportunities arise from alignment with consumer and regulatory expectations. Expansion of antibiotic-free poultry production and reformulation of processed foods with improved nutritional profiles strengthen market access and consumer trust, directly benefiting vulnerable populations and health-conscious consumers. Maintaining international food safety certifications (e.g. FSSC 22000, IFS, BRC) is essential to securing premium market and private label contracts. In the Partners for Farmers segment, opportunities include providing certified inputs, advisory services and retrofitted agromachinery that improve farmer safety, productivity and resilience, while ensuring strong personal data protection to maintain trust in commercial relationships.

#### **POLICIES**

(ESRS S4-1 15)

Consumers and end-users are protected through a defined set of binding policies that set enforceable standards for safety, fairness and access to remedy. These include:

- Code of Business Ethics establishes rules on product integrity, prohibition of misleading practices, transparent communication and non-discrimination.
- **Personal Data Protection Policy** translates GDPR requirements into binding obligations for the lawful collection, processing and safeguarding of consumer and end-user personal data.

• Food Safety and Consumer Protection Procedures – require compliance with EU and national law, certification under recognised safety systems, traceability from farm to fork, recall protocols and complaint-handling mechanisms.

These policies are formally approved by the Board and monitored through internal audit, independent certification processes and regular compliance audits carried out by retail and private label clients. Together, they ensure that all consumer groups, including vulnerable populations such as children, elderly people and low-income households, are consistently covered.

#### **HUMAN RIGHTS POLICY COMMITMENTS RELEVANT TO CONSUMERS AND END-USERS**

(ESRS S4-1 16-17 | AR 11)

The Group recognises the protection of the human rights of consumers and end-users as a core element of its operations. The following rights are regarded as material in relation to affected consumers and end-users:

- Right to safety and health products must not expose consumers or end-users to risks of contamination, hazardous content or misleading use.
- Right to adequate food and nutrition the Group recognises this right in line with international standards on food security.
- Right to information consumers are entitled to clear, accurate and transparent product information; labelling and marketing are regulated accordingly.
- **Right to non-discrimination** equal treatment is ensured for all consumers and end-users, with particular attention to vulnerable groups such as children, elderly people and low-income households.
- Right to remedy grievance channels are in place for all consumers and end-users, supported by confidentiality and non-retaliation guarantees.

These commitments are aligned with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. Respect for these rights is ensured through compliance with EU and national food safety legislation, transparent communication, client account management and external audits performed by retail and private label customers. **No legal cases, regulatory findings or substantiated grievances related to breaches of these commitments were identified during the reporting period.** 

In cases where an adverse impact on consumer or end-user rights is identified, the Group applies corrective measures including product recalls, withdrawal from market, replacement or refund, and corrective labelling. Consumers and end-users may also submit complaints through established grievance mechanisms, which are investigated by the responsible company. Where grievances are substantiated, remedies may include financial compensation, provision of alternative products, or other mutually agreed corrective actions. These measures ensure that affected consumers and end-users have access to effective remedy in line with international human rights standards.

#### END USER PARTICIPATION AND ENGAGEMENT IN DECISION-MAKING

(ESRS S4-2 20, 20a-d, 21 | AR 14-17)

Engagement with consumers and end-users is structured to ensure that their expectations are systematically reflected in the Group's operations. The Group does not sell food products directly to final consumers; instead, their influence is exercised indirectly through retailers, private label clients and certification schemes. Consumers ultimately express their expectations through purchasing choices — effectively voting with money — which are translated into client specifications, audit requirements and certification standards. Social media channels, complaint-handling systems and brand awareness studies provide additional structured input into product design, labelling and quality management.

In the food segment, consumer expectations are captured through retailer audits, private label client requirements, certification processes and continuous monitoring of consumer attitudes via social media platforms. Annual consumer research focuses on purchasing factors such as antibiotic-free poultry and nutritional quality, while bi-annual brand awareness surveys track perceptions of the Group's brands and private label products. Complaint-handling and grievance mechanisms ensure that consumer issues are recorded and addressed, with escalation procedures in place where required by law.

In the Partners for Farmers segment, farmers and agricultural clients are engaged directly through account managers, agronomists and technical advisers. Engagement occurs during planning, budgeting and distribution, with field-level consultations ensuring the safe and effective use of agricultural inputs. Farmers also provide feedback through dedicated service centres and digital communication channels.

In agromachinery, engagement takes place during product development, market introduction and after-sales support. Farmers and operators contribute to product suitability and safety through technical consultations, maintenance services and training programmes. Feedback from these channels informs product improvements and service design.



Operational responsibility for engagement lies with product managers and account managers in each segment, who are responsible for maintaining regular contact with consumers and end-users, documenting feedback and escalating issues. Oversight at Group level rests with the Board members responsible for each business segment, ensuring that engagement results are integrated into overall strategy, risk management and operational targets.

Effectiveness of engagement is assessed through complaint resolution practices, hotline responsiveness, consumer and farmer survey results, brand awareness and perception indicators, retailer and certification audit outcomes, and feedback from private label partners. Quantitative results of effectiveness assessments are not disclosed in detail due to commercial sensitivity.

The Group is aware that the views and expectations of vulnerable consumer and end-user groups are particularly important. In the food segment, which provides staple products, insights are gathered through consumer research, complaint-handling systems, focus groups of external participants, and internal product testers drawn from a broad cross-section of the workforce. Random contributors from different demographic groups also participate to ensure diverse perspectives are reflected. Sales data from promotions and price sensitivity are analysed for both branded and private label products to capture affordability concerns, which are most relevant for low-income households. These mechanisms help assess the needs of children, elderly people and households with limited ability to prepare balanced meals.

In the Partners for Farmers segment, information from small farmers is collected directly through account managers, agronomists, service centres and digital channels. This feedback shapes product and service design, including packaging sizes and payment conditions, and is integrated into the review of engagement outcomes as well as into strategic and operational decisions.

Engagement outcomes are reviewed in regular management cycles and directly inform product development, nutritional reformulation, service design, labelling, quality standards and marketing priorities.

#### RESPONSIBILITY, EFFECTIVENESS, REMEDY AND GRIEVANCE MECHANISMS

(ESRS S4-3 25a-d, 26, 27 | AR 18, 19, 23, 24)

Handling of consumer and end-user complaints is managed at segment level by product and account managers, with Group-level oversight by the Board members responsible for each segment, supported by compliance and quality assurance functions.

Grievance mechanisms are in place for all consumer and end-user groups. For food and feed products, consumers can raise issues through hotlines, websites, social media channels and complaint forms. In the EU, consumer grievances can also be escalated via the two-tier national system, starting with the seller and, if unresolved, proceeding to the national food and veterinary authority. For agricultural inputs and agromachinery, grievances are handled directly by account managers and local service centres. All grievance channels are publicly available and accessible to consumers and end-users as required under EU consumer protection law. Information on how to raise a complaint or concern is provided on product packaging, websites and contractual documents, ensuring full visibility and equal access for all affected consumer groups.

Effectiveness of grievance handling is assessed through the timely resolution of complaints, monitoring of response times and follow-up actions. Complaint closure statistics, retailer audit results and certification outcomes are used to verify that mechanisms function as intended. Root cause analysis is performed where needed to prevent recurrence.

Remedy is provided through corrective communication, product withdrawal where legally required, targeted customer support and technical adjustments in agricultural inputs or machinery. In the food business, remedies may include recalls, reformulation and labelling updates. In Partners for Farmers, remedies include on-site advice, product replacement and training to mitigate misuse or safety concerns.

No legal cases, regulatory findings or substantiated grievances related to breaches of consumer or end-user rights were identified during the reporting period.

#### PREVENTION, MITIGATION, REMEDIATION AND OPPORTUNITIES

(ESRS S4-4 31a-33b | AR 26, AR 30-AR 32, AR 35-AR 40)

The Group applies preventive measures across all segments to avoid negative impacts on consumers and end-users. In the food segment these include continuous product safety monitoring, compliance with EU and national law, farm-to-fork traceability and certification under recognised schemes. In agricultural inputs prevention is ensured through product testing and regulatory compliance checks. In agromachinery prevention relies on product safety testing before market release and certification of conformity.

Mitigation measures are applied to reduce risks that may arise despite preventive systems. In the food segment these include reformulation to improve nutritional profiles, monitoring of sodium and fat content, and systematic tracking of antibiotic-free attributes supported by consumer research. In agricultural inputs mitigation consists of agronomic advice, farmer training and adjustments in response to market or regulatory developments. In agromachinery mitigation includes technical consultations, after-sales support and structured recall processes.

Remediation is provided through recalls, corrective communication, customer support and engagement with regulators. For agricultural clients remedies include on-site advice, product replacement and technical support.

Opportunities pursued include antibiotic-free poultry production, development of plant-based lines, improvement of nutritional quality in processed foods, consumer education on food safety and nutrition, and digital communication channels. In Partners for Farmers positive impacts are delivered through agronomic advice, training and account management support.

Compliance with food safety legislation, consumer protection law and product certification ensures that practices do not cause or contribute to negative impacts. No severe human rights issues or incidents connected to consumers or end-users were identified during the reporting period.

Resources allocated include quality assurance, compliance and sustainability functions at company and Group level. Budgets cover food safety audits and certification schemes, remediation systems and customer service teams. Investments in opportunities focus on antibiotic-free production, product innovation and advisory networks. Effectiveness is assessed through food safety audit results, certification outcomes, absence of recalls, consumer research and farmer satisfaction surveys.

Targets include maintaining 100% antibiotic-free poultry in Latvia, increasing the antibiotic-free share in Lithuania from 65% to 85% by 2025, reducing antibiotic use in dairy production by 25% by 2025, and maintaining compliance with certification schemes. Farmer satisfaction surveys and brand awareness studies align targets with consumer and end-user expectations. Performance is tracked through food safety audits, certification reviews, consumer research and retailer inspections.

#### ENSURING OWN PRACTICES DO NOT CAUSE OR CONTRIBUTE TO MATERIAL NEGATIVE IMPACTS

(ESRS S4-4 34 | AR 29)

The Group ensures that its own practices do not cause or contribute to material negative impacts on consumers and end-users by embedding compliance with food safety legislation, consumer protection law, and product quality standards into all operations. Preventive systems include farm-to-fork traceability,

certification schemes, product testing, and structured recall processes. Marketing and labelling practices are governed by internal rules and regulatory oversight to ensure transparency and accuracy. In Partners for Farmers, account managers and technical experts provide advice and oversight to ensure agricultural inputs and agromachinery are used safely and appropriately, preventing misuse or harm to farmer clients as end-users. Regular monitoring, audits, and feedback loops with consumers, farmers, and retail partners ensure that practices remain aligned with legal requirements and stakeholder expectations.

### SEVERE HUMAN RIGHTS ISSUES AND INCIDENTS CONNECTED TO CONSUMERS AND/OR END-USERS (ESRS S4-4 35)

No severe human rights issues or incidents connected to consumers or end-users were identified during the reporting period. Grievance channels, complaint-handling mechanisms, and whistleblower systems operated without escalation to public authorities, and no breaches of consumer safety, product integrity, or non-discrimination standards were recorded.

### RESOURCES ALLOCATED TO MANAGEMENT OF MATERIAL IMPACTS (ESRS S4-4 37)

Resources allocated to the management of material impacts on consumers and end-users include dedicated quality assurance, compliance, and sustainability functions at company and Group level. Investments cover independent food safety audits, certification schemes, complaint-handling systems, and consumer research. In Partners for Farmers, resources are directed toward maintaining a network of account managers, technical advisers, and service centres to provide continuous support and engagement with farmer clients. Budget is also allocated for product testing, advisory services, and continuous improvement of safety and grievance processes across all segments. These resources ensure that consumer and end-user rights are safeguarded and that any material impacts are managed effectively. Since 2016, Ķekava Foods has raised poultry without antibiotics, requiring large-scale investments in biosecurity and animal housing. This aligns with ECC standards and supports consumer trust, especially in Scandinavian markets.

### TARGETS SET TO MANAGE MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS (ESRS S4-5 41 | AR 43-AR 45)

The Group has defined strategic and segment-level targets for consumers and end-users to ensure food safety, consumer trust, and farmer satisfaction.

#### Food and Feed

- Maintain 100% antibiotic-free poultry production in Latvia.
- Increase antibiotic-free poultry share in Lithuania from 65% to 85% by 2025.
- Reduce antibiotic use in dairy production from 29 mg per 1 kg PCU to 17.1 mg per 1 kg PCU by 2025 (25% reduction from the base year).
- Maintain strict compliance with certifications (FSSC 22000, IFS Food, ISO 22000, GMP+).
- Zero product recalls only safe products reach consumers.
- Strengthen brand awareness and consumer trust in attributes such as "raised without antibiotics" and animal welfare.

#### **Agricultural Inputs and Agromachinery**

- Product safety and regulatory compliance (CE marking, EU agromachinery conformity).
- Introduction of an independent farmer satisfaction survey in cooperation with equipment suppliers.
- Net Promoter Score (NPS) of 39 in input trade, above the sector average of 10-30.

#### **Operational Foundations**

- Continuous improvements driven by retailer requirements, private label contracts, and audits.
- Safe product design and consumer safeguards embedded in processes.
- Continuous technical support, training, and farmer engagement.
- Dialogue with local communities and support for initiatives.
- Development of organisational culture based on Group values.

Consumers and end-users contribute to target-setting through structured research and direct feedback. In Food, consumer surveys and brand awareness studies inform antibiotic-free and food safety commitments, while retailer audits and private label requirements convert consumer expectations into measurable standards. In Partners for Farmers, farmer feedback collected through account managers and advisers informs feed suitability, machinery reliability, and advisory service targets. Independent farmer satisfaction surveys will further align targets with end-user expectations.

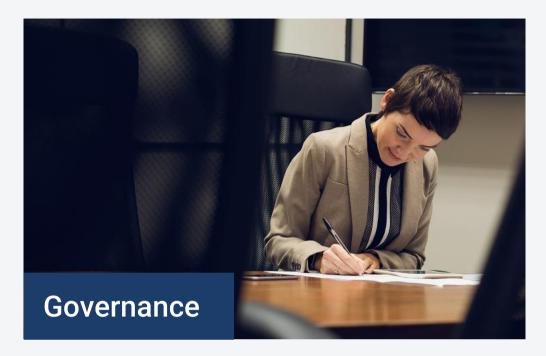
Performance against targets is tracked using consumer complaints, hotline responsiveness, certification audits, and retailer inspections. Consumer trust in food attributes such as "raised without antibiotics" is measured through regular surveys compared to baseline data. In Inputs and Agromachinery, farmer satisfaction is monitored through account manager reports, after-sales feedback, and NPS results, ensuring that tracking reflects real end-user experience.

Consumers and end-users help identify lessons through complaints, surveys, and retailer audits in Food, which guide adjustments in labelling, packaging, and food safety systems. In Inputs and Agromachinery, farmer consultations and service reports highlight opportunities to improve advisory services, product formulations, and machinery specifications. NPS benchmarks in input trade provide further insights into improvement needs. All findings are reviewed in management cycles and incorporated into updated targets, ensuring continuous improvement and alignment with stakeholder expectations.

### FINANCIAL EFFECTS OF MATERIAL RISKS AND OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS (ESRS S4-6 | 44-45)

Based on Double materiality analysis, the estimated potential Group level consumers and end-users related exposure (both risks and opportunities, if happening all at once and not overlapping): up to 13% of normalised EBITDA. Material risks with potential financial effects relate mainly to food safety and agromachinery services, potential faulty agromachinery service. Material opportunities arise from developments in both food and agromachinery. Expansion of antibiotic-free poultry production and nutritional improvements in processed foods are expected to generate financial benefits. Retrofitting agromachinery technology to provide affordable and reliable equipment for farmers has been assessed as an opportunity of up to 5% of EBITDA, depending on uptake. Other opportunities, including predictive microbiology, smart packaging and automated hygiene systems, were assessed as non-material, with no significant EBITDA gains expected within the reporting horizon.

Overall, the Group expects negative financial effects from consumer and end-user risks mainly through recall costs, compliance failures and potential client delisting, while positive financial effects from opportunities are expected through increased sales of antibiotic-free products, improved nutritional profiles and adoption of safer agricultural technologies.





# Business conduct

ESRS G1

### ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES RELATED TO BUSINESS CONDUCT (ESRS G1 | GOV-1 5a)

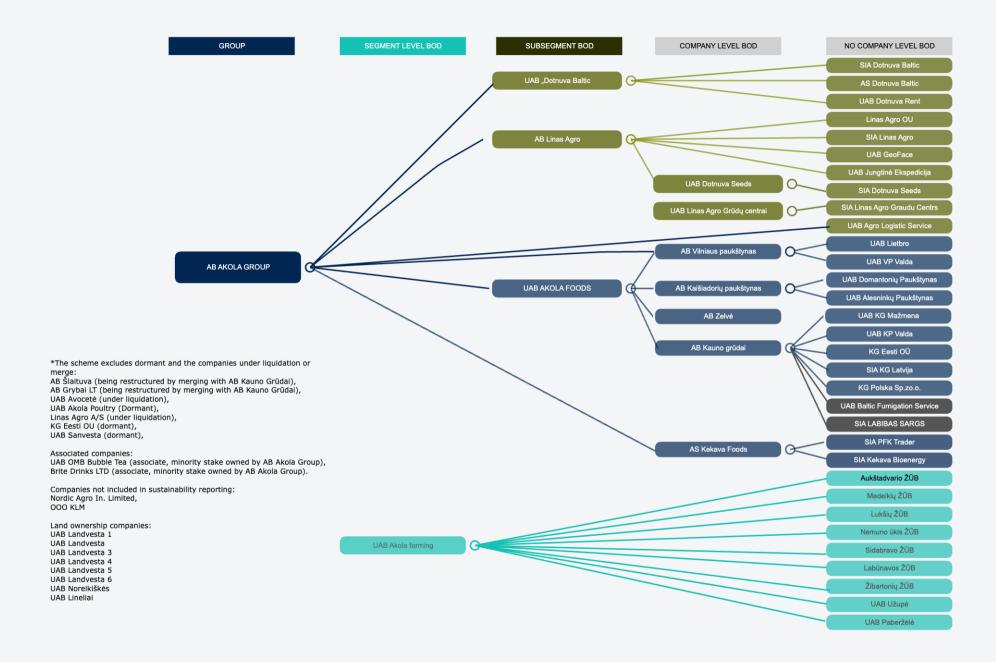
The Board, composed of five executive members, is mandated to embed the Group's business conduct requirements into strategy and operations. Its responsibilities include setting expectations for ethical behaviour, legal compliance, and stakeholder engagement, overseeing implementation of the Code of Ethics, Partner Code of Ethics, and Anti-Corruption Policy across all companies, receiving reports from segment managers on conduct-related incidents and regulatory developments, and approving corrective actions and allocating resources for implementation.

Please see 18.3. The Board in management report for competencies and experience of the Board members.

The Supervisory Board provides an additional layer of review and consists of three non-executive members, two of whom are independent: Tomas Tumėnas (Chairman), Arūnas Bartusevičius (independent), and Carsten Højland (independent).

The Audit Committee, composed entirely of independent members (Lukas Kuraitis – Chair, Arūnas Bartusevičius, Skaistė Malevskienė), ensures independent assurance over financial integrity, compliance monitoring, and risk management.

The Group's governance structure operates through a cascade of boards that ensures business conduct and ethical requirements are embedded at all organisational levels. Decisions flow from the Group Board to segment, subsegment, and company-level boards. Segment and company boards include managers with direct operational responsibilities, providing tighter oversight of intrasegment activities and ensuring that tactical and field-level decisions are not left outside corporate oversight. This structure also prevents the Group Board from engaging in micromanagement of operational details while ensuring alignment across all levels.



Group Governance structure chart, AB Akola Group, 30 Jun 2025

#### The governance structure chart illustrates this cascading model:

- Group level: AB Akola Group, accountable to the General Meeting of Shareholders, supported by the Supervisory Board and Audit Committee.
- Segment level Boards of Directors: oversee consolidated business segments such as Partners for Farmers, Farming, Food production, and Other products and services. They ensure that strategic objectives, compliance obligations, and business conduct requirements are implemented consistently across each segment.
- Subsegment level Boards: govern specialised business lines within segments, such as seed production, grain handling, or logistics. Their role is to ensure that policies and practices are applied consistently to focused operational activities while maintaining alignment with segment and Group-level oversight.
- Company level Boards: present in major operating companies, including AB Kauno Grūdai, AB Vilniaus Paukštynas, and AB Kaišiadorių Paukštynas, where they monitor day-to-day compliance and business conduct at the operational level, ensuring Group policies are implemented effectively.
- Subsidiaries without Boards: smaller companies operate under executive management but remain subject to oversight through segment and subsegment structures, ensuring no activity is left outside the governance cascade.
- Associated and excluded entities: the chart identifies companies excluded due to dormancy, liquidation, or mergers, as well as minority stakes (e.g. UAB OMG Bubble Tea, Brite Drinks Ltd), and land ownership companies consolidated under UAB Akola Farming to support farming operations.

This cascading governance structure ensures that decisions are taken at the most appropriate level: strategic matters remain anchored at Group level under the authority of the General Meeting of Shareholders, while tactical and operational matters are handled by boards closest to business activities. Internal boards synchronise business development, values, traditions, and conduct principles across geographies and organisational levels, ensuring that standards are applied consistently both vertically and horizontally throughout AB Akola Group.

### HOW THE GROUP ESTABLISHES, DEVELOPS, PROMOTES AND EVALUATES ITS CORPORATE CULTURE (ESRS G1-1 | AR 1)

AB Akola Group's corporate culture is rooted in both longstanding history and daily farming practices. The Group frames culture under the "4 Hearts" principle – governance, environment, society, and economy – ensuring that cultural values are embedded into governance, strategy, and daily operations across all companies.

Establishing culture. Culture is established through the continuity of iconic enterprises and their place in communities. Several Group companies are symbols of their regions: AB Kauno Grūdai, with roots in grain processing since the 1920s, and AB Vilniaus Paukštynas (1969), AB Kaišiadorių Paukštynas (1964), and AS Ķekava Foods (1967) were among the first industrial poultry complexes in the Baltics. Over decades they became cultural landmarks, where many employees have worked for their entire lives, reflecting intergenerational loyalty and shared identity. The Group has never lost its touch with the soil. Through its Farming activities it remains connected to agriculture as the foundation of Baltic identity. Nearly the entire modern history of the independent states is marked by the growth of the Partners for Farmers business, which continues to embody this connection by providing advice, certified seeds, fertilisers, machinery, technology, and financing.

**Developing culture.** Culture is developed by combining tradition with modernisation and resilience. In the Farming segment, AB Akola Group sustains the most traditional industry in the region while driving modernisation and supporting farmer competitiveness under changing climatic and market conditions. Development is also driven by leadership and governance practices: the annual **Akola Leadership Summit (Akola Day)** brings together over a hundred managers from Lithuania, Latvia, Estonia, and Denmark to align on values, strategy, and governance practices, with contributions from national leaders and external experts.

**Promoting culture.** Corporate culture is promoted actively through large-scale events and rituals that reinforce cohesion and belonging. Kauno Grūdai's **Summer Sports Games in Birštonas** combine sport, culture, and music. The annual **Auksinio Grūdo Awards** celebrate professionalism, innovation, leadership, and long-term contribution, embedding recognition as a governance practice. In the poultry segment, dedicated **conferences and employee gatherings** cultivate professional pride and shared identity. The Group promotes culture externally through community engagement.

#### CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES, MECHANISMS AND SAFEGUARDS

(ESRS G1-1 | MDR-P 01-06, 10 a-h)

The Group manages its material impacts, risks and opportunities related to business conduct and corporate culture through a comprehensive set of corporate policies approved by the Board. These policies establish the principles of integrity, accountability and compliance that apply across all subsidiaries and to all employees, managers, suppliers and business partners.

The framework includes the Code of Business Ethics and the Partner Code of Ethics, which define standards of fair and transparent conduct, contractual integrity, compliance with law and respect for stakeholders. The Corruption Prevention Policy, aligned with the United Nations Convention against Corruption, confirms zero tolerance for bribery, facilitation payments and conflicts of interest, and sets strict rules on gifts and hospitality. This policy is fully implemented and requires no further timetable.

A whistleblowing system provides secure internal and external channels for employees and stakeholders to report concerns confidentially by email or in writing. All reports are formally registered, reviewed and investigated independently by trained compliance staff. Findings are reported to the Board and, when appropriate, to the Supervisory Board. Whistleblowers are protected against retaliation, and anonymity is guaranteed if requested. These measures are aligned with the EU Whistleblower Directive, and no additional timetable is required. Corrective actions are enforced under the supervision of governing bodies.

The Group's Human Rights Policy prohibits child labour, forced labour and discrimination, while the Equal Opportunities Policy ensures diversity and fair treatment. The Health and Safety Policy secures safe workplaces, and the Animal Welfare Policy governs livestock, poultry and farming operations in line with EU and national requirements, embedding humane treatment into everyday practices. The Data Protection Policy ensures compliance with GDPR and responsible management of personal information. Policies on international sanctions compliance, corporate governance, risk management, remuneration and dividends also form part of the corporate culture framework by defining accountability, transparency and responsible financial practices.

Training on business conduct, anti-corruption, competition law, workplace behaviour, whistleblowing and human rights is mandatory. Employees in higher-risk functions—procurement, commodity trading, logistics and sales—are prioritised, with refresher training provided regularly. Staff assigned to handle whistleblowing reports receive specialised training. Functions most exposed to corruption and bribery risks are subject to enhanced oversight, stricter internal controls, and continuous monitoring through audits and compliance reviews.

Through this policy framework the Group embeds responsible business conduct and corporate culture throughout its operations and value chain. Each topical standard (ESRS E, S and G) contains detailed disclosures on policies related to environmental protection, workforce and governance, ensuring that all dimensions of the Group's corporate culture are transparently reported.

#### POLICY TO PREVENT LATE PAYMENTS, ESPECIALLY TO SMES

(ESRS G1-2 | AR 2-AR 3)

AB Akola Group does not have a stand-alone policy on late payments. Payment discipline is embedded in contractual and financial management practices across all subsidiaries. The Group complies with Directive 2011/7/EU, ensuring invoices are settled within agreed deadlines, with particular attention to SMEs that are more vulnerable to delayed payments. Everybody in charge of payments are obliged to assure 100% compliance.

#### **SUPPLY CHAIN MANAGEMENT**

(ESRS G1-1, ESRS G1-2 15 a-b | ESRS 2 SBM-3 48 a-h | IRO-1, IRO-2)

#### IMPACTS, RISKS AND OPPORTUNITIES (IRO)

(ESRS G1-2 15 a | AR 2-AR 3; ESRS 2 | SBM-3 48 a | AR 17-18)

Supply chain management is a critical governance area for AB Akola Group because most of its business activities rely on internationally and locally sourced inputs, feed materials, commodities, and services. Sourcing practices have direct impacts on upstream human rights, labour standards, deforestation risks, animal welfare, environmental quality, and the resilience of farming communities. The impact is actual and positive.

The main risks arise where suppliers fail to comply with labour and human rights standards, cause environmental damage, or neglect animal welfare. This may include poor working conditions, illegal deforestation, biodiversity loss, pollution, or failure to comply with EU regulations. Such failures expose the Group to reputational harm, supply disruptions, and termination of commercial relationships. Opportunities are created by fostering long-term partnerships with suppliers, supporting local farming practices, encouraging sustainable inputs, and requiring compliance with environmental and social standards in all key supply chains.

#### **POLICIES**

(ESRS G1-2 15 b | AR 2-AR 3; ESRS 2 | SBM-3 48 c ii | AR 18)

Supplier relationships are governed by the Partner Code of Ethics, which requires adherence to lawful conduct, human rights, fair labour practices, safe working conditions, anti-corruption, and environmental protection. Signing the Code is mandatory for material suppliers, and ethics clauses are embedded into contracts. This ensures that social and environmental criteria are systematically applied in supplier selection and evaluation. Suppliers are also expected to avoid deforestation, pollution, forced or child labour, and to comply with national and EU environmental standards.

#### **ACTIONS AND RESOURCES**

(ESRS G1-2 15 a-b | AR 2-AR 3; ESRS 2 | SBM-3 48 d | AR 18)

Supplier management is implemented through structured onboarding, risk-based audits, and ongoing monitoring. All new suppliers must confirm adherence to the Partner Code of Ethics and provide documentation on ownership and operations. Social and environmental requirements are checked during supplier approval and monitored through periodic reviews. Training is provided to procurement managers on responsible sourcing, social and environmental risks, and how to identify

red flags such as labour exploitation, unsafe practices, or non-compliance with environmental permits. Advisory services offered through the Partners for Farmers segment help farmers meet sustainability requirements, including soil protection, biodiversity conservation, and animal welfare standards.

#### **TARGETS**

(ESRS G1-2 15 a-b | AR 2-AR 3; ESRS 2 | SBM-3 48 e | AR 18)

The Group targets 100% of material suppliers under the Partner Code of Ethics, with social and environmental obligations embedded in contracts. All suppliers in critical value chains must demonstrate compliance with sustainability requirements, including responsible land use, fair labour conditions, and environmental standards. Strengthening deforestation-free sourcing, safe working conditions, and responsible procurement commitments are part of long-term objectives.

#### **METRICS**

(ESRS G1-2 15 a-b | AR 2-AR 3; ESRS 2 | SBM-3 48 e | AR 18)

Indicators include the share of suppliers signed to the Partner Code of Ethics, the proportion of contracts containing social and environmental clauses, the number of supplier audits performed, and the rate of compliance with sustainability requirements. Metrics also cover the number of suppliers terminated or placed under corrective action due to ESG noncompliance, and results of independent certification or buyer audits.

#### ANTICIPATED FINANCIAL EFFECTS

(ESRS G1-2 15 a-b | AR 2-AR 3; ESRS 2 | SBM-3 48 d-e | AR 18)

Weak supplier governance or ESG non-compliance could result in reputational damage, regulatory sanctions, fines, and disruption of inputs, leading to financial losses. Strengthened supplier relationships, application of social and environmental criteria, and transparent monitoring systems protect revenues, secure long-term partnerships, and safeguard continuity of operations. Based on Double materiality assessment, the estimated potential Group level supplier governance related exposure (both risks and opportunities, if happening all at once and not overlapping): up to 12% of normalised EBITDA.



#### **ANIMAL WELFARE**

(ESRS G1-24 | ESRS 2 SBM-3 48 a-h | IRO-1, IRO-2)

#### IMPACTS, RISKS AND OPPORTUNITIES (IRO)

(ESRS 2 | SBM-3 48 a | AR 17-18)

Intensive livestock production can lead to animal welfare concerns including stress, injury, lameness, and restricted natural behaviour. In 2024/2025 53.1 million chickens were affected in poultry operations (actual, negative) and more than 7 thous. dairy cattle were potentially affected in farming (potential, negative). At consolidated level, 53.1 million animals were covered. Risks include reputational harm, regulatory sanctions, and withdrawal of contracts or export licences. Opportunities arise from strengthened welfare management, which enhances productivity, differentiates products, and supports trust with regulators and buyers.

#### **POLICIES**

(ESRS 2 | SBM-3 48 c ii | AR 18)

Animal welfare is governed by EU and national legislation, including the EU Broiler Directive (2007/43/EC) and Regulation (EC) No 1/2005 on animal transport. Group-level Animal Welfare Policy, approved by the Board, commits to ensuring proper treatment of animals, balanced nutrition, disease prevention, and continuous improvement of welfare conditions across all livestock operations. Subsidiaries are responsible for communicating and implementing the policy and ensuring all employees comply.

#### **ACTIONS AND RESOURCES**

(ESRS 2 | SBM-3 48 d | AR 18)

Daily veterinary supervision, flock and herd health monitoring, staff training, and investment in housing and ventilation form the foundation of welfare management. Antibiotic use is strictly controlled and reduction programmes are in place. Independent audits are carried out by veterinary authorities, certification bodies, and buyers.

#### **TARGETS**

(ESRS 2 | SBM-3 48 e | AR 18)

- Maintain 100% antibiotic-free poultry production in Latvia and increase antibiotic-free production in Lithuania.
- Improve longevity and welfare monitoring in dairy herds.
- Ensure continuous compliance with EU and national welfare legislation.

#### **METRICS**

(ESRS 2 | SBM-3 48 e | AR 18)

- Number of animals covered by welfare protocols.
- Share of antibiotic-free poultry production.
- Mortality and morbidity rates.
- Outcomes of veterinary inspections and welfare audits.

#### ANTICIPATED FINANCIAL EFFECTS

(ESRS 2 | SBM-3 48 d-e | AR 18)

Failure to comply with animal welfare standards may result in export suspension, contract termination, fines, and reputational damage. The potential financial exposure is aligned with the scale of production: approximately 51 million animals under Group management. A material breach could affect over 10% of Food production segment EBITDA, through reduced productivity, increased veterinary costs, penalties, and lost contracts. Sustaining compliance secures continued access to regulated export markets, private-label contracts, and consumer trust, protecting revenues in core poultry and dairy operations.





(ESRS G1-1, G1-3 | ESRS 2 SBM-3 48 a-h | IRO-1, IRO-2)

#### IMPACTS, RISKS AND OPPORTUNITIES (IRO)

(ESRS 2 | SBM-3 48 a | AR 17-18)

Quality control is a key determinant of the Group's ability to maintain safe, reliable and competitive operations. It goes beyond product safety to cover the efficiency and consistency of processes, packaging, storage, and cold chain distribution, ensuring that standards are met at every stage from raw material intake to delivery of finished goods. The impact is actual and positive and applies across all operations. Risks relate to certification withdrawal, recalls, buyer claims and reputational harm if quality systems fail. Opportunities are linked to strong and consistent assurance, which protects customer confidence and supports long-term competitiveness.

#### **POLICIES**

(ESRS 2 | SBM-3 48 c ii | AR 18)

The Group applies food and feed safety policies aligned with EU and national legislation and with recognised certification standards including HACCP, GMP+, FSSC 22000, IFS and BRC. These policies set requirements for supplier approval, raw material control, hygiene and zoning, monitoring of production processes, packaging, labelling, and management of cold chain distribution. Quality obligations are included in buyer and supplier contracts, making compliance both a legal and a contractual requirement.

#### **ACTIONS AND RESOURCES**

(ESRS 2 | SBM-3 48 d | AR 18)

Quality control is ensured through continuous supervision and systematic checks along the entire chain. Raw materials are inspected on intake, production processes are monitored under HACCP protocols, packaging and labelling are verified before release, and cold chain conditions are monitored during storage and transport. Accredited laboratories conduct microbiological and chemical tests, while internal audits, buyer inspections and certification reviews verify compliance. These measures are supported by dedicated quality assurance teams, certified infrastructure, laboratory capacity and training of staff to guarantee consistent application of standards.





















- AS Kekava Foods
- ✓ AB Vilniaus Paukštvnas
- AB Vilniaus Paukštynas
- ′Kekava Foods, AS
- AB Vilniaus Paukštynas:
- AB Vilniaus Paukštynas

#### SO 22000 Certification:

- ✓ AB Kaišiadorių Paukštynas
- ✓ AB Kauno grūdai
- AS Kekava Foods
- ✓ SIA Lielzeltini
  - AB Vilniaus Paukštynas
- ′ AB Kaišiadorių Paukštynas
- ′ UAB Šlaituva

#### KFC Supplier Approval:

- ✓ AS Kekava Foods
- ✓ AB Vilniaus Paukštynas
- AB Kaišiadorių Paukštynas
- AS Kekava Foods
- AB Kauno grūdai
- ✓ AB Vilniaus Paukštynas
- ✓ AB Kaišiadorių Paukštynas
- ✓ AB Zelvé
- UAB Domantonių paukštynas
- ✓ UAB Alesninkų paukštynas
- ✓ UAB Lietbro
- 🗸 UAB Grybai LT
- ✓ UAB Šlaituva.

#### **TARGETS**

(ESRS 2 | SBM-3 48 e | AR 18)

The Group aims to maintain full certification coverage of production and distribution facilities, achieve continuous compliance with audit protocols, and sustain readiness for traceability and recall.

#### **METRICS**

(ESRS 2 | SBM-3 48 e | AR 18)

Key indicators include certification status of facilities, audit outcomes, number and severity of non-conformities, corrective actions implemented, and results of recall and traceability checks. Cold chain performance is monitored and reported as part of routine quality assurance.

#### ANTICIPATED FINANCIAL EFFECTS

(ESRS 2 | SBM-3 48 d-e | AR 18)

Quality control failures could result in recalls, withdrawal of certification, termination of contracts and reputational damage, leading to significant financial losses through remediation costs and unsellable products. Strong and consistent quality assurance safeguards revenues, secures customer confidence, and ensures continuity of operations across all major business segments. Based on Double materiality analysis, the estimated potential Group level quality control related exposure (both risks and opportunities, if happening all at once and not overlapping): up to 8% of normalised EBITDA

#### ANTI-CORRUPTION AND ANTI-BRIBERY PROCEDURES

(ESRS G1-3 18 a-c, 19, 20, 21 a-c | AR 5-AR 6, AR 4)

AB Akola Group applies a zero-tolerance approach to corruption and bribery under the Group Corruption Prevention Policy. The policy prohibits offering or accepting bribes, regulates conflicts of interest, and requires immediate reporting of suspected cases.

Allegations are investigated independently, following the three-lines risk management model. Investigations are carried out by internal audit or designated compliance functions that are structurally independent from the management of the business unit concerned. Where cases involve senior managers, oversight is exercised by the Supervisory Board Audit Committee, ensuring that investigators and review bodies are fully separated from managers potentially linked to the case. Outcomes of investigations are reported to the Board and, where relevant, to the Supervisory Board and Audit Committee. Corrective actions are implemented, and governance oversight is ensured.

This system of policies, reporting channels, independent investigation, governance oversight, and training ensures that corruption and bribery risks are effectively prevented, detected, and addressed across the Group.

#### CONVICTIONS, FINES AND TRAINING RELATED TO ANTI-CORRUPTION AND ANTI-BRIBERY

(ESRS G1-4 24 a-b | AR 8)

In the reporting period, AB Akola Group recorded **0 convictions** and incurred **0 monetary fines** for violations of anti-corruption or anti-bribery laws. Anti-corruption and anti-bribery training was conducted on an **ad hoc basis**, mainly for functions most at risk such as procurement, trading, logistics, and sales. However, information on the type of trainings delivered and coverage levels was **not systematically collected this year**. The Group will strengthen monitoring and reporting of training activities in future periods to ensure full traceability of coverage and effectiveness.

#### POLITICAL INFLUENCE, CONTRIBUTIONS AND LOBBYING ACTIVITIES

(ESRS G1-5 29 a-d | AR 9-AR 10, AR 14)

Oversight of political influence and lobbying activities rests with the Board of AB Akola Group, which ensures that interactions with public institutions or policymakers are transparent, lawful, and aligned with Group policies. During the reporting period, the Group made no financial political contributions and no inkind political contributions, as in-kind contributions are prohibited under applicable regulation and Group policy; therefore, no estimation methodology was required. Lobbying is conducted only through recognised business associations, covering topics such as agricultural and food regulation, sustainability standards, animal welfare, trade policy, and food safety. The Group's position is to support harmonised EU regulation, science-based standards, and fair competition across markets. AB Akola Group is not registered in the EU Transparency Register and in equivalent national registers, ensuring compliance with disclosure requirements on lobbying activities.

#### PAYMENT PRACTICES

(ESRS G1-6 33 a-d | AR 16-AR 17)

Standard payment terms across the Group's entities are not uniform and depend on practises common for the represented sector. Trade payables are most commonly settled in the range of 5-180 days. In cases where the Group participates in supplier financing arrangements with external financial institutions, suppliers may obtain early payment from banks or other financiers, while the Group settles its obligations with the financiers in line with the agreed terms. For more detailed description, please refer to Consolidated and Company's Financial statements, Note 20.Trade payables and supplier finance arrangements.

The Group does not consider to have outstanding legal proceedings relating to late payments, however notifies on a legal matter of note in Consolidated and Company's Financial statements, Note 31. Commitments and contingencies.

Contextually, AB Akola Group embeds payment discipline into its contractual and financial management practices and complies with Directive 2011/7/EU on combating late payment in commercial transactions. The Group has not adopted a stand-alone payment policy, but enforces timely settlements across subsidiaries to protect supplier relationships, especially with SMEs.





### **Biosafety**

ESRS 2 | SBM-3 48 a-h | AR 17-18; Cross-standard: ESRS E2-1, E2-2; ESRS S1-3, S1-17; ESRS S3-3; ESRS E4-1, E4-2

#### IMPACTS, RISKS AND OPPORTUNITIES (IRO)

(ESRS 2 | SBM-3 48 a | AR 17-18)

Biosafety is a cornerstone of the Group's business model because poultry production cannot operate without it. Outbreaks of avian influenza or other infectious diseases spread rapidly across flocks, forcing immediate culling, halting production, closing export markets, and damaging long-term trust with regulators and buyers. Improper antibiotic use accelerates antimicrobial resistance, which once established persists through farms, food products, and into public health systems. The risk is classified as critical: a single major outbreak at one of the largest sites could generate significant losses. Likelihood is assessed as high in the short term, with systemic consequences across multiple sites and markets.

#### **POLICIES**

(ESRS 2 | SBM-3 48 c ii | AR 18)

All poultry companies operate under EU and national veterinary legislation, which impose strict biosecurity rules on animal health, disease prevention, and hygiene. Group-level policies reinforce these requirements with internal protocols on site entry control, disinfection, hygiene zoning, and veterinary oversight. These policies are binding, integrated into buyer contracts and export eligibility rules, and verified through certification and authority inspections. In line with E2-1, they prevent contamination of the environment; aligned with S1-3, they safeguard worker exposure and safety; and under E4-1, they mitigate indirect biodiversity risks.

#### **ACTIONS AND RESOURCES**

(ESRS 2 | SBM-3 48 d | AR 18)

Biosafety is implemented through layered measures: controlled infrastructure (zoning of houses, ventilation barriers, vehicle and staff disinfection), operational practices (all-in/all-out flock cycles, compulsory downtime, cleaning and disinfection between cycles, controlled feed and water supply, licensed carcass removal), and veterinary monitoring (daily checks, laboratory testing, vaccination where applicable, strict control of antibiotic use). Supporting services under Other products and services provide licensed fumigation and disinfection in storage and logistics, reducing microbial load and reinfection risks. Training is mandatory for staff, audits are conducted by buyers and authorities, and all corrective actions are documented and tracked to closure. These actions directly reflect **E2-2** requirements for resources to prevent pollution and contamination, **S1-17** for continuous monitoring of health and safety risks, and **S3-3** for protecting communities near sites from zoonotic disease spread.

#### **TARGETS**

(ESRS 2 | SBM-3 48 e | AR 18)

Targets are mandatory and defined by legislation and buyer protocols: zero tolerance for avian influenza or *Salmonella* in flocks, complete coverage of poultry houses under inspection and certification, and strict compliance with veterinary controls on antibiotics. These targets contribute to **E4-2** requirements by reducing ecosystem exposure to pathogens and resistant bacteria, while ensuring compliance with **S1-3** workforce health and safety obligations.

#### **METRICS**

(ESRS 2 | SBM-3 48 e | AR 18)

Key indicators include the number of confirmed outbreaks, culling incidents, veterinary inspection outcomes, results of biosecurity audits, and antibiotic usage levels measured in mg/kg PCU. These metrics are tracked not only under Group systems but also to demonstrate compliance with **E2-1** pollution prevention, **S3-** community protection, and **E4-1** biodiversity safeguards.

#### **ANTICIPATED FINANCIAL EFFECTS**

(ESRS 2 | SBM-3 48 d-e | AR 18)

A biosafety failure would trigger immediate and systemic financial losses: mass liquidation of livestock, suspension of exports, certification withdrawal, buyer contract termination, and reputational harm. Based on Double materiality analysis, financial effects from a single major outbreak could constitute up to 13% of normalised Group consolidated EBITDA or around 40% of EBITDA in the poultry segment. Additional effects include direct culling and clean-up costs, investigation and remediation, penalties or claims, and prolonged revenue loss from export market closures. Maintaining biosafety, by contrast, preserves market access, regulatory licence, and continuity of operations across the Food production segment. This reinforces compliance with **E2-2** (mitigation resources), protects **S1-17** workforce health, and fulfils obligations under **E4-2** for biodiversity protection.

#### **CONNECTIONS TO CROSS-STANDARDS**

- **E2 (Pollution E2-1, E2-2)**: Biosafety controls prevent contamination of air, soil, and water through strict handling of manure, carcasses, disinfectants, and veterinary substances. Licensed disposal and hygiene protocols reduce pollution risk from disease outbreaks and decontamination processes.
- S1 (Own workforce S1-3, S1-17): Workers are directly protected through strict entry controls, protective equipment, disinfection procedures, and training. Biosafety breaches would expose employees to zoonotic diseases and unsafe working conditions; therefore, workforce health and safety are structurally tied to biosafety measures.
- S3 (Affected communities S3-3): Communities near poultry farms and processing facilities are protected from zoonotic risks by biosafety protocols that contain pathogens and prevent spread through transport, wild birds, or vectors. Failures could result in disease spillover, public health risks, and loss of trust in the Group's licence to operate locally.
- **E4 (Biodiversity and ecosystems E4-1, E4-2)**: Biosafety minimises ecosystem impacts by preventing uncontrolled disease spread to wild bird populations and reducing antimicrobial resistance in soils and waterways. Proper management of litter, manure, and veterinary substances prevents persistent biodiversity harm from resistant microbes or chemical residues.

### Sectoral leadership

ESRS E1, E5, G1

(ESRS 2 | SBM-3 48 a-h | AR 17-18; Cross-standard: ESRS E1-5; ESRS E4-1; ESRS S3-3; ESRS S4-3; ESRS G1-1, G1-2)

#### IMPACTS, RISKS AND OPPORTUNITIES (IRO)

(ESRS 2 | SBM-3 48 a | AR 17-18)

Sectoral leadership reflects how the Group's operations set reference standards across inputs, farming, and food products in the Baltics. In Food production, buyers treat food safety certification, traceability, and product quality as mandatory entry conditions. Partners for Farmers define practical norms through grain elevators, seed factories, feed production, input trade, and agronomy services that embed CAP requirements into farmer practice. Farming demonstrates efficiency and compliance by linking dairy productivity with low GHG intensity per litre and welfare oversight, and by implementing CAP rotation and buffer-zone rules in crop production. Other products and services extend standards through licensed fumigation and hygiene services that underpin food safety in Group and third-party facilities.

Risks arise if these standards fall behind buyer or regulatory expectations. Weakening of certification, food safety, or dairy efficiency could cause contract losses, subsidy reduction, and reputational harm. Opportunities include expansion of eco-certified ready-to-eat lines, further reduction of antibiotics in dairy, packaging sustainability, and export growth to more than 30 countries.

#### **POLICIES**

(ESRS 2 | SBM-3 48 c ii | AR 18)

Policies underpinning sectoral leadership are drawn from EU and national legislation and from buyer requirements. Food production operate under FSSC 22000, GMP+, IFS, and BRC certification. Farming applies CAP conditionality, including GAEC rules and Natura 2000 proximity controls. Partners for Farmers comply with EU trade, fertiliser, and PPP regulations and seed certification. Other products and services operate under national licensing for fumigation and hygiene.

#### **ACTIONS AND RESOURCES**

(ESRS 2 | SBM-3 48 d | AR 18)

In the **Food production segment**, production facilities operate under ISO 22000, FSSC 22000, BRCGS and GMP+ food safety standards. Vilniaus Paukštynas additionally holds ISO 50001 certification for energy management and, in 2025, became the first poultry producer in Lithuania to obtain the NKP (Nacionalinės kokybės produktas) label. Ķekava Foods applies an antibiotic-free production model since 2016 and maintains BRC, FSSC 22000, HALAL and Latvia's "Zaļā karotīte" certifications. In 2025 AB Kauno Grūdai began implementation of the IFS standard across its RTE facilities. Product development has been recognised with national awards for Activus protein bars, Sun Yan instant noodles, Quattro pet food and KG Nature feed, while the €32 million A++ instant food factory in Alytus doubled production capacity to 505 million units per year, 93% of which is exported to more than 30 countries. In 2024 AB Kauno Grūdai was named "Lithuanian Exporter of the Year" for the third consecutive year.

In the **Partners for Farmers segment**, AB Kauno Grūdai feed production is GMP+ certified and the company has been recognised as a Top Employer for three years in succession. Certified seed production capacity was expanded with a new factory in lecava, Latvia, equipped with advanced laboratory systems. Dotnuva Baltic strengthened its market position by increasing tractor and combine market share, while expanding its portfolio with soil monitoring technologies, nutrient recycling applicators, precision spraying systems and agricultural drones. Demonstrations and customer engagement are maintained through regular participation in international trade fairs and regional field days, including Agritechnica, Agrovizija, Didžioji Lauko Diena and the National Tractor Operator Competition.

In the **Farming segment**, dairy farms achieve below 0.3 tCO<sub>2</sub>e per ton of ECM, among the lowest in Lithuania. Farming operations apply CAP crop rotation rules, GAEC biodiversity buffers and EU fertiliser restrictions. In 2024 the Group became the exclusive Lithuanian partner of the HeavyFinance carbon farming programme, with 40,000 hectares enrolled and external audits confirming 155,000 tons of CO<sub>2</sub>e reductions. Scientific collaboration with LAMMC at Labūnava farm confirmed winter wheat yields significantly above the regional average. Investments in biomethane production will supply 85 GWh of renewable energy annually from 2025.

In the **Other products and services segment**, fumigation and hygiene services are licensed and regulated, reducing pest and microbial risks in storage facilities. Pet food production is integrated into ISO and GMP+ certified food safety systems, consistent with the Group's overall standards.

At Group level, sectoral leadership is reinforced by strategic initiatives. In 2024 the acquisition of Elagro Trade in Latvia expanded storage capacity to 161,000 tons and secured 15% of the national grain market. In 2025 Kauno Grūdai introduced barge logistics on the Nemunas River for grain transport, reducing road traffic and associated  $CO_2$  emissions. The Group also launched an innovation fund to support new food-tech solutions and was recognised at Expo 2025 for supporting the development of  $CO_2$  sensor packaging.

#### **TARGETS**

(ESRS 2 | SBM-3 48 e | AR 18)

Targets include maintaining 100% antibiotic-free poultry in Latvia and expanding in Lithuania, extending eco-certified RTE products, meeting packaging sustainability objectives in poultry and plant-based products, sustaining exports to more than 30 countries, and workforce goals such as TRIR below 0.6 and turnover below 35%.

#### **METRICS**

(ESRS 2 | SBM-3 48 e | AR 18)

Metrics cover certification coverage, antibiotic-free poultry share by country, packaging recyclability and renewable material shares, export volumes and reach, dairy yield and GHG intensity per litre, customer audit outcomes, and farmer advisory coverage.

#### **ANTICIPATED FINANCIAL EFFECTS**

(ESRS 2 | SBM-3 48 d-e | AR 18)

If leadership is not maintained, impacts include delisting from retail and private-label contracts, subsidy loss in Farming, and reputational damage. Segment-level exposure exceeds 10% of EBITDA in Food production and Partners for Farmers under adverse scenarios. Sustaining leadership protects revenues from export and domestic buyers, secures subsidy continuity, and ensures compliance-based market access.

#### **CONNECTIONS TO CROSS-STANDARDS**

- E1 (E1-5): Dairy efficiency reduces GHG intensity per litre; energy transition and refrigerant upgrades strengthen climate compliance.
- E4 (E4-1): Advisory services and Farming integrate biodiversity safeguards, GAEC rules, and Natura 2000 restrictions.
- S3 (S3-3): Transparent contracts with landowners, predictable payments, and regulatory compliance maintain community trust.
- S4 (S4-3): Certification, traceability, and product development in RTE lines protect consumers and underpin buyer acceptance.
- G1 (G1-1, G1-2): Ethical contracting, supplier codes of conduct, and compliance with EU product law anchor business conduct and contract integrity.

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### Annex II: EU taxonomy mapping

Table 32. Physical climate change risks mapping, AB Akola Group, 2024/2025

	Геmperature ·related		Wind-related	Comment	Water- related		Solid mass- related	Comment
	Changing temperature	Included, assessed, not material (Chronic Included, assessed, not elevated temperatures material (changing wind		Changing precipitation patterns and types (rain,	Included, assessed, not material (High humidity in warm quarters (#3); Persistent winter		Excluded (not	
	Heat stress	Included, assessed, not material (Extreme summer heat (#2) Included, assessed,	Changing wind patterns	paterns (#14))	hail, snow/ice)  Precipitation or hydrological variability	humidity (#7) Included, assessed, not material (Mold and fungal contamination (#11); High humidity (#3, #7))	Coastal erosion  Soil degradation	material)  Assessed in soil risks
	Temperature variability	not material (Temperature variability (#12))			Ocean acidification	Not applicable (rationale provided)	Soil erosion	Assessed in soil risks
Chro	variability Permafrost :hawing	Not applicable			Saline intrusion	Not applicable (rationale provided)	Solifluction	Not applicable
					Sea level rise Water stress	Not applicable (rationale provided) Included, assessed, not material (Water stress #13)		
	Heat wave	Included, assessed, not material (Extreme summer heat (#2))	Cyclone, hurricane, typhoon	Not applicable	Drought	Included, assessed, not material (Drought and dust accumulation (#4))	Avalanche	Not applicable
Acute	Cold wave/frost	Included, assessed, not material ( Freeze-thaw structural stress (#5))		Included, assessed, not material (Heavy snow (#10) and Hail (#6))	Heavy precipitation (rain, hail, snow/ice)	Included, assessed, not material (Intense rainfall concentration (#8); Hail events (#6); Heavy snow load / ice accumulation (#10))	Landslide	Not applicable
	Wildfire	Could be assessed for materiality (low	Tornado	Excluded (not material)	Flood (coastal, fluvial, pluvial,	Included, assessed, not material (Water	Subsidence	Not applicable  Applicable

likelihood,
localised, no
specific
data)

groundwater
ingress &
(#9))

### **ANNEX III: Results of water scarsity screening**

2.6 < x <= 3.4 Medium risk
3.4 < x <= 4.2 High risk
4.2 < x <= 5.0 Very high risk
5.0 < x <= 6.6 Extreme risk

1.0 <= x <= 1.8 Very low risk	Export Date:	2024 07 01
1.8 < x <= 2.6 Low risk		

Table 33. Water scarcity risk screening by operational site, WWF Water Risk Filter, AB Akola Group, 2024/2025

Site #	Company	Site type	River Basin	Base year	2030 SSP2-4.5	2050 SSP2-4.5	2030 SSP1-2.6	2050 SSP1-2.6	2030 SSP5-5.8	2050 SSP5-5.8
	SIA Linas Agro Graudu	Elevators and grain								
1	centrs	storage	Baltic Sea (673)	1.2	1.2	1.2	1.2	1.2	1.2	1.2
	SIA Linas Agro Graudu	Elevators and grain								
2	centrs	storage	Baltic Sea (673)	1.4	1.4	1.4	1.4	1.4	1.4	1.4
	SIA Linas Agro Graudu	Elevators and grain								
3	centrs	storage	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
		Elevators and grain								
4	SIA Elagro trade	storage	Baltic Sea (673)	1.4	1.4	1.4	1.4	1.4	1.4	1.4
	SIA Linas Agro Graudu	Elevators and grain								
5	centrs	storage	Baltic Sea (673)	2	2	2	2	2	2	2
	SIA Linas Agro Graudu	Elevators and grain								
6	centrs	storage	Baltic Sea (673)	1.4	1.4	1.4	1.4	1.4	1.4	1.4
	SIA Linas Agro Graudu	Elevators and grain								
7	centrs	storage	Baltic Sea (672)	2	2	2	2	2	2	2
	SIA Linas Agro Graudu	Elevators and grain								
8	centrs	storage	Baltic Sea (673)	2	2	2	2	2	2	2
	SIA Linas Agro Graudu	Elevators and grain								
9	centrs	storage	Baltic Sea (673)	1.8	1.8	1.8	1.8	1.8	1.8	1.8
	SIA Linas Agro Graudu	Elevators and grain	, ,							
10	centrs	storage	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
	SIA Linas Agro Graudu	Elevators and grain	, ,							
11	centrs	storage	Baltic Sea (673)	2.4	2.4	2.4	2.4	2.4	2.4	2.4

Site #	Company	Site type	River Basin	Base year	2030 SSP2-4.5	2050 SSP2-4.5	2030 SSP1-2.6	2050 SSP1-2.6	2030 SSP5-5.8	2050 SSP5-5.8
12	SIA Linas Agro Graudu centrs	Elevators and grain storage	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
12	SIA Linas Agro Graudu	Elevators and grain	Barrie Sea (075)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
13	centrs	storage	Baltic Sea (673)	2	2	2	2	2	2	2
13	SIA Linas Agro Graudu	Elevators and grain	Daitic Sea (073)							
14	centrs	storage	Baltic Sea (673)	1.8	1.8	1.8	1.8	1.8	1.8	1.8
17	SIA Linas Agro Graudu	Elevators and grain	Barrie Sea (075)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
15	centrs	storage	Baltic Sea (673)	1.8	1.8	1.8	1.8	1.8	1.8	1.8
13	SIA Linas Agro Graudu	Elevators and grain	Daitic Sea (073)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
16	centrs	storage	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
10	SIA Linas Agro Graudu	Elevators and grain	Baitic Sea (073)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
17	centrs	storage	Baltic Sea (673)	1.8	1.8	1.8	1.8	1.8	1.8	1.8
17	SIA Linas Agro Graudu	Elevators and grain	Baitic Sea (073)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
18	centrs		Baltic Sea (673)	1.8	1.8	1.8	1.8	1.8	1.8	1.8
10	SIA Linas Agro Graudu	storage Elevators and grain	Baitic Sea (673)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
10	_	_	Daltia Can (672)	1.6	1.6	1.6	1.6	1.6	1.0	1.6
19	centrs	storage	Baltic Sea (673)	1.0	1.6	1.0	1.6	1.6	1.6	1.6
20	SIA Linas Agro Graudu	Elevators and grain	Daltia Can (672)	2		_			_	
20	centrs	storage	Baltic Sea (673)	2	2	2	2	2	2	2
0.1	SIA Linas Agro Graudu	Elevators and grain	D-14:- 0 (670)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	centrs	storage	Baltic Sea (673)	2.2	2.2	2.2	2.2	2.2	2.2	2.2
00	SIA Linas Agro Graudu	Elevators and grain	D-14:- 0 (670)			0				
22	centrs	storage	Baltic Sea (673)	2	2	2	2	2	2	2
	AB Kauno grūdai, UAB	Elevators and grain	l.,							
23	Linas Agro Grūdų centrai	storage	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
	AB Kauno grūdai, UAB	Elevators and grain								
24	Linas Agro Grūdų centrai	storage	Nemunas	1.6	1.6	1.6	1.6	1.6	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain	_ ,,, _ ,,,,,,							
25	centrai	storage	Baltic Sea (673)	1.8	1.8	1.8	1.8	1.7	1.8	1.8
	UAB Linas Agro Grūdų	Elevators and grain								
26	centrai	storage	Nemunas	1.6	1.6	1.6	1.6	1.6	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain								
27	centrai	storage	Baltic Sea (673)	1.6	1.5	1.5	1.4	1.4	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain								
28	centrai	storage	Nemunas	1.6	1.6	1.6	1.5	1.5	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain								
29	centrai	storage	Nemunas	2	2	1.9	1.9	1.8	2	2
	UAB Linas Agro Grūdų	Elevators and grain								
30	centrai	storage	Nemunas	2	2	1.9	1.9	1.8	2	2
	UAB Linas Agro Grūdų	Elevators and grain								
31	centrai	storage	Nemunas	2	2	1.9	1.9	1.8	2	2
	UAB Linas Agro Grūdų	Elevators and grain								
32	centrai	storage	Baltic Sea (673)	2	2	2	2	1.9	2	2

Site #	Company	Site type	River Basin	Base year	2030 SSP2-4.5	2050 SSP2-4.5	2030 SSP1-2.6	2050 SSP1-2.6	2030 SSP5-5.8	2050 SSP5-5.8
33	UAB Linas Agro Grūdų centrai	Elevators and grain storage	Baltic Sea (673)	1.6	1.5	1.5	1.4	1.4	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain								
34	centrai	storage	Nemunas	2	2	1.9	1.9	1.8	2	2
	UAB Linas Agro Grūdų	Elevators and grain								
35	centrai	storage	Nemunas	2	2	1.9	1.9	1.8	2	2
	UAB Linas Agro Grūdy	Elevators and grain								
36	centrai, Lukšių ŽŪB	storage	Nemunas	1.6	1.6	1.6	1.5	1.5	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain								
37	centrai	storage	Baltic Sea (673)	1.8	1.8	1.8	1.8	1.8	1.8	1.8
	UAB Linas Agro Grūdų	Elevators and grain								
38	centrai	storage	Nemunas	1.6	1.6	1.6	1.5	1.5	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain								
39	centrai	storage	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
	UAB Linas Agro Grūdų	Elevators and grain								
40	centrai	storage	Baltic Sea (673)	2	2	2	1.9	1.9	2	2
	UAB Linas Agro Grūdų	Elevators and grain								
41	centrai	storage	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
	UAB Linas Agro Grūdų	Elevators and grain	,							
42	centrai	storage	Nemunas	2	2.2	2	1.8	1.8	2.1	2.1
	UAB Linas Agro Grūdy	Elevators and grain								
43	centrai	storage	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
44	Nemuno Ūkis ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
45	Medeikių ŽŪB	Farming site	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
46	Žibartonių ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
47	Žibartonių ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
48	Aukštadvario ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
49	Žibartonių ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
50	Labūnava ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
51	Sidabravo ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
52	Aukštadvario ŽŪB	Farming site	Nemunas	2	2	1.9	1.9	1.8	2	2
53	AS Ķekava Foods	Food factory	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
54	AS Ķekava Foods	Food factory	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
J <del>4</del>	AB Kauno grūdai, UAB	1 ood factory	Daille Sea (073)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
55	Linas Agro Grūdų centrai	Food factory	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
56	AB Grybai LT	Food factory	Nemunas	2	2.2	2.2	1.8	1.8	2.1	2.1
57	AB Kauno grūdai	Food factory	Nemunas	2	2.2	1.9	1.9	1.8	2.1	2.1
58	AB Kauno grūdai	Food factory	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
59	AB Šlaituva	Food factory	Nemunas	2.2	2.2	1.9	1.9	1.8	2.2	2.2
	AB Kauno grūdai	-				2.2	2.2	2.2		
60		Food factory	Nemunas	2.2	2.2 2.2	2.2			2.2	2.2
61	AB Kauno grūdai	Food factory	Nemunas				2.2	2.2		
62	AB Vilniaus paukštynas	Food factory	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
63	AB Akola Group	Office	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4

Site #	Company	Site type	River Basin	Base year	2030 SSP2-4.5	2050 SSP2-4.5	2030 SSP1-2.6	2050 SSP1-2.6	2030 SSP5-5.8	2050 SSP5-5.8
64	UAB Linas Agro	Office	Nemunas	2	2	1.9	1.9	1.8	2	2
	AS Dotnuva Baltics, Linas	Partners for Farmers								
65	Agro OÜ	site	Baltic Sea (672)	2	2	2	2	2	2	2
	AS Dotnuva Baltics, Linas	Partners for Farmers								
66	Agro OÜ	site	Baltic Sea (672)	2.2	2.2	2.2	2.2	2.2	2.2	2.2
		Partners for Farmers								
67	AS Dotnuva Baltics	site	Baltic Sea (672)	2.6	2.6	2.6	2.5	2.5	2.6	2.6
	SIA Dotnuva Baltic, UAB	Partners for Farmers								
68	Linas Agro	site	Baltic Sea (673)	1.8	1.8	1.8	1.8	1.8	1.8	1.8
		Partners for Farmers								
69	SIA Dotnuva Baltic	site	Baltic Sea (673)	2	2	2	2	2	2	2
		Partners for Farmers								
70	SIA Dotnuva Baltic	site	Baltic Sea (673)	1.4	1.4	1.4	1.4	1.4	1.4	1.4
		Partners for Farmers								
71	SIA Dotnuva Baltic	site	Baltic Sea (672)	2	2	2	2	2	2	2
		Partners for Farmers								
72	UAB Dotnuva Baltic	site	Nemunas	2	2	1.9	1.9	1.8	2	2
		Partners for Farmers								
73	UAB Dotnuva Baltic	site	Baltic Sea (673)	2	2	2	2	1.9	2	2
		Partners for Farmers								
74	UAB Dotnuva Baltic	site	Baltic Sea (673)	1.6	1.6	1.5	1.5	1.5	1.6	1.6
		Partners for Farmers								
75	UAB Dotnuva Baltic	site	Nemunas	1.6	1.6	1.6	1.5	1.5	1.6	1.6
	UAB Dotnuva Baltic, UAB	Partners for Farmers								
76	Linas Agro	site	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
		Partners for Farmers								
77	UAB Dotnuva Baltic	site	Nemunas	2	2.2	2	1.8	1.8	2.1	2.1
		Partners for Farmers								
78	UAB Dotnuva Baltic	site	Baltic Sea (673)	1.6	1.5	1.5	1.4	1.4	1.6	1.6
		Partners for Farmers								
79	UAB Dotnuva Baltic	site	Nemunas	2	2	1.9	1.9	1.8	2	2
	AB Kauno grūdai, UAB	Partners for Farmers								
80	Linas Agro Grūdų centrai	site	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
		Partners for Farmers								
81	UAB Linas Agro	site	Nemunas	1.8	1.8	1.8	1.8	1.8	1.8	1.8
82	AS Ķekava Foods	Poultry farms	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
83	AS Ķekava Foods	Poultry farms	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
84	AS Ķekava Foods	Poultry farms	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
85	AS Ķekava Foods	Poultry farms	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
86	AS Ķekava Foods	Poultry farms	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
87	AS Ķekava Foods	Poultry farms	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
88	AS Ķekava Foods	Poultry farms	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6
89	AB Vilniaus paukštynas	Poultry farms	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4

Site #	Company	Site type	River Basin	Base	2030	2050	2030	2050	2030	2050
Site #	Company	Site type	nivei dasiii	year	SSP2-4.5	SSP2-4.5	SSP1-2.6	SSP1-2.6	SSP5-5.8	SSP5-5.8
90	AB Vilniaus paukštynas	Poultry farms	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
	AB Kaišiadorių									
91	paukštynas	Poultry farms	Nemunas	1.4	1.4	1.4	1.4	1.4	1.4	1.4
92	UAB Lietbro	Poultry farms	Nemunas	2	2	1.9	1.9	1.8	2	2
	UAB Alesninkų									
93	paukštynas	Poultry farms	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
94	AB Vilniaus paukštynas	Poultry farms	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
	AB Kaišiadorių									
95	paukštynas	Poultry farms	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
	UAB Domantonių									
96	paukštynas	Poultry farms	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
97	AB Vilniaus paukštynas	Poultry farms	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
	AB Kaišiadorių									
98	paukštynas	Poultry farms	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
99	AB Kauno grūdai	Retail shop	Nemunas	2.4	2.4	2.4	2.3	2.3	2.4	2.4
100	AB Kauno grūdai	Retail shop	Nemunas	2	2	1.9	1.9	1.8	2	2
101	AB Kauno grūdai	Retail shop	Nemunas	2	2.2	2	1.8	1.8	2.1	2.1
102	AB Kauno grūdai	Retail shop	Nemunas	2	2.2	2	1.8	1.8	2.1	2.1
103	AB Kauno grūdai	Retail shop	Nemunas	2.2	2.2	2.2	2.2	2.2	2.2	2.2
104	AB Kauno grūdai	Retail shop	Nemunas	1.6	1.6	1.6	1.5	1.5	1.6	1.6
105	AB Kauno grūdai	Retail shop	Nemunas	1.6	1.6	1.6	1.5	1.5	1.6	1.6
106	AB Kauno grūdai	Retail shop	Nemunas	1.6	1.6	1.6	1.5	1.5	1.6	1.6
107	UAB Dotnuva Seeds	Seed factory	Nemunas	2	2	1.9	1.9	1.8	2	2
		Seed factory and								
	SIA Dotnuva Seeds, SIA	Elevators and grain								
108	Linas Agro Graudu centrs	storage	Baltic Sea (673)	1.6	1.6	1.6	1.6	1.6	1.6	1.6

# **ANNEX IV: List of all operational sites**

Table 34. Operational sites by location, company, address and primary activities

	Longitude	Latitude	Company	Address	Country	Site type
1	27.3734	56.5248	SIA Linas Agro Graudu centrs	Noliktavu lela 14, Rēzekne, 4604	LV	Elevators and grain storage
2	25.8612	56.5257	SIA Linas Agro Graudu centrs	Jaunsalieši, Jēkabpils, Jēkabpils novads, 5202	LV	Elevators and grain storage
3	21.1473	56.5444	SIA Linas Agro Graudu centrs	Jaunstūrīši, Grobiņas pagasts, Dienvidkurzemes novads, 3430	LV	Elevators and grain storage
4	25.8845	56.5155	SIA Elagro trade	Aizupes Iela 30, Jēkabpils, Jēkabpils novads, 5202	LV	Elevators and grain storage
5	22.0051	56.6837	SIA Linas Agro Graudu centrs	Klusā Iela 20, Skrunda, Kuldīgas novads, 3326	LV	Elevators and grain storage
6	25.8823	56.5163	SIA Linas Agro Graudu centrs	Vītolnieki, Jēkabpils, Jēkabpils novads, 5202	LV	Elevators and grain storage
7	24.4662	57.3329	SIA Linas Agro Graudu centrs	Lapotnes, Mandegas, Skultes pagasts, Limbažu novads, 4025	LV	Elevators and grain storage
8	20,9980	56.5362	SIA Linas Agro Graudu centrs	Brīvostas Iela 2A, Liepāja, 3405	LV	Elevators and grain storage
9	23.6711	56.4080	SIA Linas Agro Graudu centrs	Bērzi, Elejas pagasts, Jelgavas novads, 3023	LV	Elevators and grain storage
10	24.2199	56.5784	SIA Linas Agro Graudu centrs	lecavnieki, lecavas pagasts, Bauskas novads, 3913	LV	Elevators and grain storage
11	21.5849	57.3999	SIA Linas Agro Graudu centrs	Dzintaru Iela 15, Ventspils, 3602	LV	Elevators and grain storage
12	24,0830	57.0232	SIA Linas Agro Graudu centrs	Zilā Iela 22, Rīga, 1007	LV	Elevators and grain storage
13	21.8989	56.9973	SIA Linas Agro Graudu centrs	Deksnes Iela 9, Deksne, Padures pagasts, Kuldīgas novads, 3321	LV	Elevators and grain storage
14	23.2997	56.6230	SIA Linas Agro Graudu centrs	Spodrības Iela 4, Dobele, Dobeles novads, 3701	LV	Elevators and grain storage
15	24.1177	56.3506	SIA Linas Agro Graudu centrs	Veģi, Īslīces pagasts, Bauskas novads, 3914	LV	Elevators and grain storage
16	24.9241	56,8818	SIA Linas Agro Graudu centrs	Klētis, Suntažu pagasts, Ogres novads, 5060	LV	Elevators and grain storage
17	23.2761	56.6315	SIA Linas Agro Graudu centrs	Uzvaras Iela 14B, Dobele, Dobeles novads, 3701	LV	Elevators and grain storage
18	23.0630	56.4800	SIA Linas Agro Graudu centrs	Sniķeres Iela 10, Bēne, Bēnes pagasts, Dobeles novads, 3711	LV	Elevators and grain storage
19	25.0231	56,8579	SIA Linas Agro Graudu centrs	Zīles, Laubere, Lauberes pagasts, Ogres novads, 5044	LV	Elevators and grain storage
20	22.4534	56.6869	SIA Linas Agro Graudu centrs	Zemgaļi, Zirņu pagasts, Saldus novads, 3801	LV	Elevators and grain storage
21	22.6272	57.3804	SIA Linas Agro Graudu centrs	Saslaukas, Ārlavas pagasts, Talsu novads, 3260	LV	Elevators and grain storage
22	22.4706	56.6317	SIA Linas Agro Graudu centrs	Lazdu Iela 15, Draudzība, Novadnieku pagasts, Saldus novads, 3801	LV	Elevators and grain storage
23	24,0181	54.4312	AB Kauno grūdai, UAB Linas Agro Grūdų centrai	Pramonės g. 25, 62175, Alytaus miesto, Alytus, Alytaus apskritis	LT	Elevators and grain storage
24	22.7512	55.0734	AB Kauno grūdai, UAB Linas Agro Grūdų centrai	Barkūnų g. 29C, 74111, Jurbarkas, Jurbarko miesto, Jurbarko rajono savivaldybė, Tauragės apskritis	LT	Elevators and grain storage
25	22.2648	56.0036	UAB Linas Agro Grūdų centrai	Mažeikių g. 21, 87101, Telšių miesto seniūnija, Telšių miesto, Telšių r. sav., Telšių apskritis	LT	Elevators and grain storage
26	23.3244	55.8417	UAB Linas Agro Grūdų centrai	Bačiūnų g. 156, 79242, Šiaulių miesto, Šiaulių m. sav., Šiaulių apskritis	LT	Elevators and grain storage
27	24.4154	56.0497	UAB Linas Agro Grūdų centrai	Vilniaus g. 3, 39190, Pasvalio apylinkių seniūnija, Ąžuolynės k., Pasvalio r. sav., Panevėžio apskritis	LT	Elevators and grain storage
28	23.4410	54,3590	UAB Linas Agro Grūdų centrai	Sodų g. 17, 67422, Šeštokų seniūnija, Šeštokų mstl., Lazdijų r. sav., Alytaus apskritis	LT	Elevators and grain storage
29	24.1553	55.7461	UAB Linas Agro Grūdų centrai	Šiaulių g. 72, 38355, Naujamiesčio seniūnija, Gustonių k., Panevėžio r. sav., Panevėžio apskritis	LT	Elevators and grain storage
30	23.5213	55.8184	UAB Linas Agro Grūdų centrai	Dariaus ir Girėno g. 117, 82141, Radviliškio miesto seniūnija, Radviliškio miesto, Radviliškio r. sav., Šiaulių apskritis	LT	Elevators and grain storage

	Longitude	Latitude	Company	Address	Country	Site type
31	23.9611	55.3399	UAB Linas Agro Grūdų centrai	Žibuoklių g. 20, 57128, Kėdainiai, Kėdainių miesto, Kėdainių r. sav., Kauno apskritis	LT	Elevators and grain storage
32	21.5058	55.9239	UAB Linas Agro Grūdų centrai	Gėlių g. 16A, 97342, Kartenos sen., Gintarų k., Kretingos r. sav., Klaipėdos apskritis	LT	Elevators and grain storage
33	24.9968	55.8313	UAB Linas Agro Grūdų centrai	Technikos g. 6, 40134, Kupiškio miesto, Kupiškio r. sav., Panevėžio apskritis	LT	Elevators and grain storage
34	23.9671	55.3413	UAB Linas Agro Grūdų centrai	Žibuoklių g. 14, 57125. Kėdainiai, Kėdainių miesto, Kėdainių r. sav., Kauno apskritis	LT	Elevators and grain storage
35	24,0083	55.2652	UAB Linas Agro Grūdų centrai	Biochemikų g. 6A, 57234, Kėdainiai, Kėdainių miesto, Kėdainių r. sav., Kauno apskritis	LT	Elevators and grain storage
36	23.1614	54.9435	UAB Linas Agro Grūdų centrai, Lukšių ŽŪB	Lukšių seniūnija, Lukšių kaimas, Šakių r. sav., Marijampolės apskritis	LT	Elevators and grain storage
37	23.5959	56.2250	UAB Linas Agro Grūdų centrai	Vilniaus g. 68B, 84166, Joniškio seniūnija, Joniškio miesto, Joniškio r. sav., Šiaulių apskritis	LT	Elevators and grain storage
38	23.2643	54.4402	UAB Linas Agro Grūdų centrai	Stoties g. 15A, 69318, Kalvarijos seniūnija, Jungėnų k., Kalvarijos sav., Marijampolės apskritis	LT	Elevators and grain storage
39	24.2818	55.0959	UAB Linas Agro Grūdų centrai	Darbininkų g. 17, 55101, Jonava, Jonavos miesto, Jonavos r. sav., Kauno apskritis	LT	Elevators and grain storage
40	21.1364	55.6978	UAB Linas Agro Grūdų centrai	Nemuno g. 2B, 91199, Klaipėda, Klaipėdos miesto, Klaipėdos m. sav., Klaipėdos apskritis	LT	Elevators and grain storage
41	25.6035	55.9506	UAB Linas Agro Grūdų centrai	Pramonės g. 9A, 42150, Rokiškio kaimiškoji seniūnija, Rokiškio miesto, Rokiškio r. sav., Panevėžio apskritis	LT	Elevators and grain storage
42	24.7482	55.2443	UAB Linas Agro Grūdų centrai	Stoties g. 1, 20120, Ukmergė, Ukmergės miesto, Ukmergės r. sav., Vilniaus apskritis	LT	Elevators and grain storage
43	24.3965	55.1396	UAB Linas Agro Grūdų centrai	Šilų seniūnija, Markutiškių kaimas, Jonavos r. sav., Kauno apskritis	LT	Elevators and grain storage
44	23.9651	55.5344	Nemuno Ūkis ŽŪB	Žibartonių g. 74, 38323, Krekenavos seniūnija, Žibartonių k., Panevėžio r. sav., Panevėžio apskritis	LT	Farming site
45	24.8245	56.2710	Medeikių ŽŪB	Biržų g. 32, 41462, Parovėjos seniūnija, Medeikių k., Biržų rajono savivaldybė, Panevėžio apskritis	LT	Farming site
46	23.9941	55.4926	Žibartonių ŽŪB	Liaudės g. 81, 58311, Surviliškio seniūnija, Užupės k., Kėdainių r. sav., Kauno apskritis	LT	Farming site
47	23.9317	55.5660	Žibartonių ŽŪB	Šilo g. 7, 38320, Krekenavos seniūnija, Rūtakiemio k., Panevėžio r. sav., Panevėžio apskritis	LT	Farming site
48	24.3005	55.4832	Aukštadvario ŽŪB	Jovaišų g. 7, 38255, Ramygalos seniūnija, Aukštadvario k., Panevėžio r. sav., Panevėžio apskritis	LT	Farming site
49	23.9632	55.5314	Žibartonių ŽŪB	Ibutonių g. 2B, 38324, Krekenavos seniūnija, Žibartonių k., Panevėžio r. sav., Panevėžio apskritis	LT	Farming site
50	23.9108	55.1943	Labūnava ŽŪB	Serbinų g. 19, 58173, Pelėdnagių seniūnija, Labūnavos k., Kėdainių r. sav., Kauno apskritis	LT	Farming site
51	23.9656	55.7057	Sidabravo ŽŪB	Sidabravo seniūnija, Dotiškių kaimas, Radviliškio r. sav., Šiaulių apskritis	LT	Farming site
52	24.2824	55.4671	Aukštadvario ŽŪB	Ramygalos seniūnija, Butkiškių kaimas, Panevėžio r. sav., Panevėžio apskritis	LT	Farming site
53	24.2124	56.9127	AS Ķekava Foods	Dzirkaļu Iela 35, Rīga, 1057	LV	Food factory

	Longitude	Latitude	Company	Address	Country	Site type
54	24.2337	56.4197	AS Ķekava Foods	Mazzeltiņi, Janeikas, Ceraukstes pagasts, Bauskas novads, 3901	LV	Food factory
55	23.9117	54.8863	AB Kauno grūdai, UAB Linas Agro Grūdų centrai	H. ir O. Minkovskių g. 63, 46217, Kaunas, Kauno miesto, Kauno m. sav., Kauno apskritis	LT	Food factory
6	24.9484	55.0513	AB Grybai LT	Zibalų g. 37, 19124, Širvintos, Širvintų miesto, Širvintų r. sav., Vilniaus apskritis	LT	Food factory
7	24,0072	55.2623	AB Kauno grūdai	Biochemikų g. 1, 57234, Kėdainiai, Kėdainių miesto, Kėdainių r. sav., Kauno apskritis	LT	Food factory
8	23.9277	54.7604	AB Kauno grūdai	Sodų g. 7, 53290, Linksmakalnio seniūnija, Linksmakalnio k., Kauno r. sav., Kauno apskritis	LT	Food factory
9	23.9587	55.2757	AB Šlaituva	J. Basanavičiaus g. 93A, 57354, Kėdainiai, Kėdainių miesto, Kėdainių r. sav., Kauno apskritis	LT	Food factory
0	23.9135	54.8857	AB Kauno grūdai	H. ir O. Minkovskių g. 73, 46219, Kaunas, Kauno miesto, Kauno m. sav., Kauno apskritis	LT	Food factory
51	24,0285	54.4322	AB Kauno grūdai	Fortų g. 9, 62175, Alytaus miesto, Alytaus m. sav., Alytaus apskritis	LT	Food factory
2	25.3412	54.5930	AB Vilniaus paukštynas	Gamyklos g. 28, 13249, Rudaminos sen., Rudaminos k., Vilniaus r. sav., Vilniaus apskritis	LT	Food factory
3	25.2898	54.6763	AB Akola Group	Subačiaus g. 5, 01302, Vilniaus miesto, Vilniaus m. sav., Vilniaus apskritis	LT	Office
4	24.3688	55.7309	UAB Linas Agro	Smėlynės gatvė 2C, 35143, Panevėžio miesto, Panevėžio miesto savivaldybė, Panevėžio apskritis	LT	Office
5	26.7243	58.4128	AS Dotnuva Baltics, Linas Agro OÜ	Savimäe 7, 60534, Vahi, Tartu vald, Tartu maakond	EE	Partners for Farmers site
6	25.5942	58.3816	AS Dotnuva Baltics, Linas Agro OÜ	Tallinna tn 105, 71018, Viljandi, Viljandi linn, Viljandi maakond	EE	Partners for Farmers site
7	26.3380	59.3484	AS Dotnuva Baltics	Ringtee 4, 44420, Taaravainu, Rakvere vald, Lääne-Viru maakond	EE	Partners for Farmers site
8	23.8075	56.6546	SIA Dotnuva Baltic, UAB Linas Agro	Baltijas Ceļš, Brankas, Cenu pagasts, Jelgavas novads, 3043	LV	Partners for Farmers site
9	22.4617	56.6851	SIA Dotnuva Baltic	Kuldīgas Iela 90, Saldus, Saldus novads, 3801	LV	Partners for Farmers site
0	25.8467	56.5210	SIA Dotnuva Baltic	Rīgas Iela 259, Jēkabpils, Jēkabpils novads, 5202	LV	Partners for Farmers site
1	25.3835	57.5432	SIA Dotnuva Baltic	Purva Iela 21, Valmiera, Valmieras novads, 4201	LV	Partners for Farmers site
2	23.8794	55.3756	UAB Dotnuva Baltic	Tilto g. 2B, 58373, Dotnuvos seniūnija, Dotnuvos miestelis, Kėdainių rajono savivaldybė, Kauno apskritis	LT	Partners for Farmers site
3	21.8196	55.9152	UAB Dotnuva Baltic	Birutės g. 38, 90112, Plungė, Plungės miesto, Plungės rajono savivaldybė, Telšių apskritis	LT	Partners for Farmers site
4	23.2600	55.9524	UAB Dotnuva Baltic	Žemaičių g. 2B, 76153, Šiaulių kaimiškoji seniūnija, Vijolių k., Šiaulių r. sav., Šiaulių apskritis	LT	Partners for Farmers site
5	23.0106	54.6865	UAB Dotnuva Baltic	Giedrių g. 129, 70192, Klausučių seniūnija, Bučiūnų k., Vilkaviškio rajono savivaldybė, Marijampolės apskritis	LT	Partners for Farmers site
6	25.1509	54.6530	UAB Dotnuva Baltic, UAB Linas Agro	Kirtimų g. 2, 02300, Vilnius, Vilniaus miesto, Vilniaus miesto savivaldybė, Vilniaus apskritis	LT	Partners for Farmers site
7	25.6265	55.5054	UAB Dotnuva Baltic	J. Basanavičiaus g. 133, 28214, Utena, Utenos miesto, Utenos rajono savivaldybė, Utenos apskritis	LT	Partners for Farmers site
'8	24.3652	56.0243	UAB Dotnuva Baltic	Baltijos Kelio g. 1A, 39199, Pasvalio apylinkių seniūnija, Talačkonių kaimas, Pasvalio rajono savivaldybė, Panevėžio apskritis	LT	Partners for Farmers site

	Longitude	Latitude	Company	Address	Country	Site type
79	23.8625	55.3938	UAB Dotnuva Baltic	Parko g. 6, 58350, Dotnuvos seniūnija, Akademijos miestelis, Kėdainių rajono savivaldybė, Kauno apskritis	LT	Partners for Farmers site
80	23.8946	54.8772	AB Kauno grūdai, UAB Linas Agro Grūdų centrai	Veiverių g. 51, 46336, Kaunas, Kauno miesto, Kauno miesto savivaldybė, Kauno apskritis	LT	Partners for Farmers site
81	23.8740	54.9035	UAB Linas Agro	Brastos g. 14, 47185, Kaunas, Kauno miesto, Kauno m. sav., Kauno apskritis	LT	Partners for Farmers site
82	24.2257	56.4141	AS Ķekava Foods	Jāņuzāles, Janeikas, Ceraukstes pagasts, Bauskas novads, 3901	LV	Poultry farms
83	24.1980	56.8292	AS Ķekava Foods	Ziemeļu Iela 55, Ķekava, Ķekavas novads, 2123	LV	Poultry farms
84	24.2308	56.4145	AS Ķekava Foods	Ķekava, Ķekavas pagasts, Ķekavas novads, 2123	LV	Poultry farms
85	24.2031	56.8237	AS Ķekava Foods	Caunes, Ķekava, Ķekavas novads, 2123	LV	Poultry farms
36	24.1968	56.8205	AS Ķekava Foods	Stiebri, Ķekava, Ķekavas novads, 2123	LV	Poultry farms
37	24.2025	56.8272	AS Ķekava Foods	Putnu fabrika Ķekava, Ķekavas novads, 2123	LV	Poultry farms
88	24.2337	56.3953	AS Ķekava Foods	Centra lela 11, Mūsa, Ceraukstes pagasts, Bauskas novads, 3901	LV	Poultry farms
89	25.2949	54.5838	AB Vilniaus paukštynas	Europos Tarybos g. 1, 14105, Rudaminos sen., Kalviškių k., Vilniaus r. sav., Vilniaus apskritis	LT	Poultry farms
90	25.2784	54.5731	AB Vilniaus paukštynas	Užupio g. 1, 13223. Juodšilių sen., Dusinėnų k., Vilniaus r. sav., Vilniaus apskritis	LT	Poultry farms
91	21.5823	55.2345	AB Kaišiadorių paukštynas	Paupio g. 1, 99334, Juknaičių seniūnija, Leitgirių k., Šilutės r. sav., Klaipėdos apskritis	LT	Poultry farms
92	24.4298	55.6823	UAB Lietbro	Nevėžio g. 70, 38129, Velžio sen., Velžio k., Panevėžio r. sav., Panevėžio apskritis	LT	Poultry farms
93	24.7977	54.8069	UAB Alesninkų paukštynas	Tiesioji g. 21, 21364, Vievio sen., Daučiuliškių k., Elektrėnų sav., Vilniaus apskritis	LT	Poultry farms
94	24.2136	54.5081	AB Vilniaus paukštynas	Butrimonių sen., Griškonių kaimas, Alytaus r. sav., Alytaus apskritis	LT	Poultry farms
95	24.5847	54.8230	AB Kaišiadorių paukštynas	Pajautiškių g. 12, 56424, Žaslių sen., Pajautiškių k., Kaišiadorių r. sav., Kauno apskritis	LT	Poultry farms
96	24.1168	54.3777	UAB Domantonių paukštynas	Sodų g. 9, 64110, Alovės sen., Muiželėnų k., Alytaus r. sav., Alytaus apskritis	LT	Poultry farms
97	24.4469	54.9030	AB Vilniaus paukštynas	Palomenės g. 35, 56103, Kaišiadorių apylinkės seniūnija, Vilkiškių k., Kaišiadorių r. sav., Kauno apskritis	LT	Poultry farms
98	24.3943	54.8689	AB Kaišiadorių paukštynas	Paukštininkų g. 16, 56110, Kaišiadorių miesto seniūnija, Kaišiadorių m., Kaišiadorių r. sav., Kauno apskritis	LT	Poultry farms
99	25.1556	54.6211	AB Kauno grūdai	Kirtimų g. 49, 02244, Vilnius, Vilniaus miesto, Vilniaus miesto savivaldybė, Vilniaus apskritis	LT	Retail shop
100	23.9625	55.2774	AB Kauno grūdai	J. Basanavičiaus g. 89C, 57358, Kėdainiai, Kėdainių miesto, Kėdainių rajono savivaldybė, Kauno apskritis	LT	Retail shop
101	25.6312	55.4989	AB Kauno grūdai	Metalo g. 3, 28216, Utena, Utenos miesto, Utenos rajono savivaldybė, Utenos apskritis	LT	Retail shop
102	25.0906	55.5240	AB Kauno grūdai	A. Vienuolio g. 32, 29148, Anykščių seniūnija, Anykščių miesto, Anykščių rajono savivaldybė, Utenos apskritis	LT	Retail shop
103	23.9072	54.8874	AB Kauno grūdai	Hermano ir Oskaro Minkovskių gatvė 112, 46247, Kaunas, Kauno apskritis	LT	Retail shop
104	23.3740	54.5648	AB Kauno grūdai	Sasnavos g. 74, 68110, Marijampolė, Marijampolės miesto, Marijampolės savivaldybė, Marijampolės apskritis	LT	Retail shop

	Longitude	Latitude	Company	Address	Country	Site type
105	23.0451	54.9440	AB Kauno grūdai	Kęstučio g. 54, 71139, Šakių seniūnija, Šakių miesto, Šakių rajono savivaldybė, Marijampolės apskritis	LT	Retail shop
106	23.0522	54.6437	AB Kauno grūdai	Vytauto g. 2E, 70137, Vilkaviškio miesto seniūnija, Vilkaviškio miesto, Vilkaviškio rajono savivaldybė, Marijampolės apskritis	LT	Retail shop
107	23.8798	55.3768	UAB Dotnuva Seeds	Tilto g. 2C, 58373, Dotnuvos seniūnija, Dotnuvos mstl., Kėdainių r. sav., Kauno apskritis	LT	Seed factory
108	24.2484	56.6302	SIA Dotnuva Seeds, SIA Linas Agro Graudu centrs	lecavas bāze, lecavas pagasts, Bauskas novads, 3913	LV	Seed factory and Elevators and grain storage

#### ANNEX V. Biodiversity: list of Natura 2000 sites in proximity by type

Table 35. potential effects on Natura 2000 sites by the type of activities, AB Akola Group, 2024/2025

Activity type	Key emissions/pressures	Potential effects on Natura 2000 habitats	Affected species groups / example sensitive habitats
Poultry Farms (on- site only)	Ammonia, Dust, Odour, Noise, Light, Predator attraction	Nitrogen enrichment, vegetation changes, bird/wildlife disturbance, increased predation, dust deposition.	Steppe meadow species (6210), grassland invertebrates, otters, amphibians, ground-nesting/migratory birds (6450, 9020, 91E0).
Grain Elevators & Storage	Dust, Noise, Vibration, Lighting, Predator attraction, Road disturbance	Habitat disturbance for wildlife, increased predators near nesting, habitat fragmentation along roads.	Grassland/meadow species, insects, pollinators, ground-nesting birds, amphibians, reptiles (6270, 6450, 6120, Wetlands).
Farms	Ammonia, Odour, Noise, Light, Wildlife disturbance, Predator attraction, Minor dust	Nitrogen deposition degrading habitats, wildlife disturbance, predator pressure.	Grassland plants/orchids, invertebrates, otters, amphibians, breeding/migratory birds (6210, 6450, 91E0, Wetlands, peat bogs).
Grain Processing, Milling, Noodle Production	Dust, Noise, Vibration, Lighting, Predator attraction, Traffic, Minor wastewater	Dust affecting plants/soil, habitat disturbance, predation, transport-related degradation, minor water quality risks, altered hydrology.	Meadow/grassland species, insects, pollinators, bats, amphibians, aquatic species (6270, 6450, Wetland margins, 6210).

Table 36. Matrix: Potential Effects of Compliant Agricultural & Food Production Activities on Adjacent Natura 2000 Sites and Species

Distance to site	Realistic potential effects (fully compliant operations)	Example habitats & species present	Level of likely impact
<500m	Real, material risks requiring mitigation. Airborne nitrogen (ammonia) deposition, minor dust drift, noise/visual disturbance.	Nitrogen-sensitive habitats, rare plants/invertebrates, protected birds, amphibians/aquatic species, dark/quiet areas (bats).	High to Moderate, requiring active mitigation.
500m-1000m	Airborne nitrogen impacts reduced but possible in sensitive habitats (windy conditions). Minor dust drift possible. Noise/visual disturbance minimal but conceivable in open meadows.	Sandy grasslands (6120), broad-leaved forests (9020), wet deciduous forests (9080), Tritons, Purple Blister Beetles.	Low to Moderate, particularly for nitrogen-sensitive grasslands/wetlands.
1000m-2000m	Airborne nitrogen impacts strongly reduced but may reach most sensitive habitats. Noise, dust, odour impacts highly unlikely.	Meadows, wetlands, rivers, forests; Species: Otters, Salmon, Butterflies, Rare mussels, Forest birds.	Negligible to Low, except airborne nitrogen risk for nitrogen-sensitive sites.
2000m-5000m	No significant wildlife disturbance. Airborne nitrogen, dust, noise considered negligible. No measurable ecological effects expected under compliant operations (Natura 2000 assessments often exclude >2000m influence zones for routine compliant agriculture).	Forests, meadows, wetlands, rivers; Species: Otters, Beetles, Rare plants, Amphibians.	Negligible.Ecologically insignificant.
5km-10km	Practically negligible for airborne nitrogen (>3km); no ecological impact from dust (>5km); no realistic noise/light/disturbance or odour effects; localized predator attraction risks.	Meadows (6410, 6430, 6510), Wetlands, Spring Areas, Forests (9020, 9050, 9080, 9160, 9100, 91E0); Species: Northern beetle, Great Capricorn beetle.	No ecologically meaningful risk.

## **ANNEX VI. Biodiversity: mandatory reporting**

Table 37. Mandatory systems where farmers must log in and submit data

System	What must be submitted	Responsible authority
PPIS (Paraiškų Priėmimo Informacinė Sistema)	- Annual CAP (direct payment) applications - Fertilizer use logs (from	Nacionalinė mokėjimo agentūra
	2024-09-01) - Eco-schemes, GAEC compliance declarations	(NMA)
Mėšlo ir srutų žurnalas (via PPIS)	- Manure and slurry storage & application records - Spreading dates,	NMA/Aplinkos ministerija
	volumes, and locations	
VJ ŽŪIKVC Portalas (Žemės ūkio informacijos ir	- Farm registration data - Gyvulių deklaracijos (Animal Registry) -	ŽŪIKVC (Ministry of Agriculture) /
kaimo verslo centras) / ŽŪVDIS (Žemės ūkio	Trąšų naudojimo apskaita (optional) - Livestock management data -	VMVT/ŽŪIKVC
valdymo duomenų informacinė sistema)	Livestock movement and registration - Notification of manure	
	production	
GZIS/EZIS (Geoinformacinė žemėtvarkos/žemės	- CAP on-farm compliance responses (GAEC/SMR control) - Field-level	NMA
ūkio inspekcijos sistema)	verification (AMS-based)	
LPTIS (Lietuvos pesticidų tiekimo informacinė	- Declaration of stored and used pesticides (for large farms)	Valstybinė augalininkystės tarnyba
sistema)		(VAT)

#### Table 38. Summary of general requirements for fertiliser handling and sales EU

Area	Requirement	Applies to	
Product Compliance	Fertiliser must comply with EU Regulation (EU) 2019/1009 or national registration if not CE-marked.	Importers, distributors	
SDS (Safety Data Sheet)	Mandatory for all chemical fertilisers; must be provided to buyers.	Importers, retailers, farmers	
DoC (Declaration of Conformity)	Required for CE-labelled fertilisers; must be issued by manufacturer/importer and retained.	Importers, wholesalers	
Labeling	Must be in official national language (LT, LV, EE); includes content, type, instructions.	All distributors	
Business Registration	Must be registered as a fertiliser handler or economic operator (with relevant NACE codes).	Importers, wholesalers, retailers	
Buyer Screening	Required for: - Fertilisers with high ammonium nitrate content (terrorism prevention) - Pesticide sales (certified users only)	Wholesalers, retailers	
Storage Requirements	Dry, ventilated, secure, away from food/feed/water; must comply with fire and environmental safety codes.	All handlers, incl. farmers	
Environmental Protection Zones	Fertiliser storage/use prohibited within 10-30 m of water bodies/wells (per SZNS, nitrate zones).	Farmers, retailers	
Sales Records/Declarations	Larger handlers may be required to keep sales records, especially for sensitive fertilisers.	Importers, distributors	
Digital Systems	Data entered into: - PPIS (LT): fertiliser use logs (from 2024) - LSAIS/REGIA: mapping & SZNS review - NMA/VAT portals for permits or declarations.	Farmers, businesses	

## Annex VII. Biodiversity: list of Natura 2000 sites in proximity by name and distance

Table 39. Natura 2000 sites near operating sites, AB Akola Group, 2024/2025

Distance in meters	Country	Natura site (en)	Natura2000 site (original)
<500	Lithuania	Daugyvenė Area	Daugyvenės apylinkės
<500	Lithuania	Bakainiai	Bakainiai
<500	Lithuania	Nevėžis Valley near Dembava	Nevėžio slėnis ties Dembava
<500	Lithuania	Gringaliai Forest	Gringalių miškas
<500	Lithuania	Middle Nevėžis River Valley	Nevėžio vidurupio slėnis
<500	Lithuania	Skilvioniai Forest	Skilvionių miškas
<500	Lithuania	Dvariškiai Village Area	Dvariškių kaimo apylinkės
<500	Lithuania	Lieležeris and Pašiliai Lake Complex	Lieležerio ir Pašilių ežero kompleksas
<500	Lithuania	Pašiliai Bog	Pašilių pelkė
<500	Lithuania	Dotnuva-Josvainiai Forest	Dotnuvos - Josvainių miškai
<500	Lithuania	Nevėžis River Valley near Šventybrastis II	Nevėžio upės slėnis ties Šventybrasčiu II
<500	Lithuania	Būda-Pravieniškės Forest	Būdos-Pravieniškių miškai
<500	Lithuania	Nemunas Delta	Nemuno delta
<500	Latvia	Gauja National Park	Gaujas nacionalais parks
from 500 up to 1000	Lithuania	Strošiūnai Pinewood	Strošiūnų šilas
from 1000 up to 2000	Lithuania	Ąžuolynė Forest	Ąžuolynės miškas
from 1000 up to 2000	Latvia	Dolessala	Dolessala
from 1000 up to 2000	Lithuania	Pertakas Area	Pertako apylinkės
from 1000 up to 2000	Lithuania	Pertakas Forest	Pertako miškas
from 1000 up to 2000	Lithuania	Middle Verknė River	Verknės vidurupys
from 1000 up to 2000	Lithuania	Neris River	Neries upė
from 1000 up to 2000	Lithuania	Ažušilė Area	Ažušilės apylinkės
from 2000 up to 5000	Latvia	Bauska	Bauska
from 2000 up to 5000	Lithuania	Gypsum Karst Lakes and Their Surroundings	Gipso karsto ežerai ir jų apyežerės
from 2000 up to 5000	Lithuania	Naudvaris Forest	Naudvario miškas
from 2000 up to 5000	Lithuania	Nevėžis River Valley near Vadaktėliai	Nevėžio upės slėnis ties Vadaktėliais
from 2000 up to 5000	Lithuania	Anykšta Area	Anykštos apylinkės
from 2000 up to 5000	Lithuania	Šušvė River and Its Surroundings	Šušvės upė ir jos apylinkės
from 2000 up to 5000	Lithuania	Strazdynė	Strazdynė
from 2000 up to 5000	Lithuania	Nemunas Valley Hornbeam Forest from Kriukai to Gelgaudiškis	Nemuno slėnio skroblynai nuo Kriukų iki
			Gelgaudiškio
from 2000 up to 5000	Lithuania	Visinčia River Valley near Gudeliai	Visinčios upės slėnis ties Gudeliais
from 2000 up to 5000	Lithuania	Vidzgiriai Forest	Vidzgirio miškas
from 2000 up to 5000	Lithuania	Lapainiai Valley	Lapainios slėnis
from 2000 up to 5000	Lithuania	Neris Loops Area	Neries kilpų apylinkės
from 2000 up to 5000	Lithuania	Būda-Pravieniškės Forest	Būdos-Pravieniškių miškas
from 2000 up to 5000	Lithuania	Gypsum Karst Lakes and Their Surroundings	Gipso karsto ežerai ir jų apyežerės
from 2000 up to 5000	Lithuania	Naudvaris Forest	Naudvario miškas

from 2000 up to 5000	Lithuania	Nevėžis River Valley near Vadaktėliai	Nevėžio upės slėnis ties Vadaktėliais
from 2000 up to 5000	Lithuania	Anykšta Area	Anykštos apylinkės
from 2000 up to 5000	Lithuania	Šušvė River and Its Surroundings	Šušvės upė ir jos apylinkės
from 2000 up to 5000	Lithuania	Strazdynė	Strazdynė
from 2000 up to 5000	Lithuania	Nemunas Valley Hornbeam Forest from Kriukai to Gelgaudiškis	Nemuno slėnio skroblynai nuo Kriukų iki
			Gelgaudiškio
from 2000 up to 5000	Lithuania	Visinčia River Valley near Gudeliai	Visinčios upės slėnis ties Gudeliais
from 2000 up to 5000	Lithuania	Vidzgiriai Forest	Vidzgirio miškas
from 2000 up to 5000	Lithuania	Lapainiai Valley	Lapainios slėnis
from 2000 up to 5000	Lithuania	Neris Loops Area	Neries kilpų apylinkės
from 2000 up to 5000	Lithuania	Būda-Pravieniškės Forest	Būdos-Pravieniškių miškas
from 5000 up to 10000	Lithuania	Nevėžis River Valley near Vadaktėliai II	Nevėžio upės slėnis ties Vadaktėliais - II
from 5000 up to 10000	Lithuania	Confluence of Nevėžis and Kiršinas Rivers	Nevėžio ir Kiršino upių santaka
from 5000 up to 10000	Lithuania	Sabališkiai Forest	Sabališkių miškas
from 5000 up to 10000	Lithuania	Novaraistis	Novaraistis
from 5000 up to 10000	Lithuania	Baltosios Vokė Wetlands	Baltosios Vokės šlapžemės
from 5000 up to 10000	Lithuania	Šveicarija Forest	Šveicarijos miškas
>10000	Lithuania	Šešupė River and Its Valleys	Šešupė ir jos slėniai

# **ANNEX VIII. Biodiversity: UICN species**

Table 40 List of UICN species in proximity to operation sites, AB Akola Group, 2024/2025

No.	Species (English)	Scientific name	Category	Natura 2000 site (original)	Natura 2000 site (en)
1	Marsh Fritillary	Euphydryas aurinia	Insects	Pašilių pelkė	Pašiliai Bog
2	Glossy Hook-moss	Hamatocaulis vernicosus	Bryophytes	Pašilių pelkė	Pašiliai Bog
3	Pond Bat	Myotis dasycneme	Mammals	Nemuno delta	Nemunas Delta
4	Great Crested Newt	Triturus cristatus	Amphibians	Nemuno delta	Nemunas Delta
5	Yellow-Spotted Whiteface	Leucorrhinia pectoralis	Insects	Nemuno delta	Nemunas Delta
6	Weatherfish	Misgurnus fossilis	Fish	Nemuno delta	Nemunas Delta
7	Scarce Fritillary	Euphydryas maturna	Insects	Labūnavos miškas	Labūnava Forest
8	Large Copper	Lycaena dispar	Insects	Labūnavos miškas	Labūnava Forest
9	Dusky Large Blue	Phengaris teleius	Insects	Labūnavos miškas	Labūnava Forest
10	Scarce Fritillary	Euphydryas maturna	Insects	Gringalių miškas	Gringaliai Forest
11	Large Copper	Lycaena dispar	Insects	Gringalių miškas	Gringaliai Forest
12	Hermit Beetle	Osmoderma barnabita	Insects	Gringalių miškas	Gringaliai Forest
13	Flat Bark Beetle	Cucujus cinnaberinus	Insects	Strošiūnų šilas	Strošiūnai Pinewood
14	Fire-Bellied Toad	Bombina bombina	Amphibians	Strošiūnų šilas	Strošiūnai Pinewood
15	Great Crested Newt	Triturus cristatus	Amphibians	Strošiūnų šilas	Strošiūnai Pinewood
16	Yellow-Spotted Whiteface	Leucorrhinia pectoralis	Insects	Verknės vidurupys	Verknė Middle River
17	Hermit Beetle	Osmoderma barnabita	Insects	Vidzgirio miškas	Vidzgiriai Forest
18	Lady's Slipper Orchid	Cypripedium calceolus	Vascular Plants	Vidzgirio miškas	Vidzgiriai Forest
19	Flat Bark Beetle	Cucujus cinnaberinus	Insects	Vidzgirio miškas	Vidzgiriai Forest
20	Fire-Bellied Toad	Bombina bombina	Amphibians	Vidzgirio miškas	Vidzgiriai Forest
21	Great Crested Newt	Triturus cristatus	Amphibians	Vidzgirio miškas	Vidzgiriai Forest
22	Eastern Pasqueflower	Pulsatilla patens	Vascular Plants	Neries kilpų apylinkės	Neris Loops Region
23	Fen Orchid	Liparis loeselii	Vascular Plants	Neries kilpų apylinkės	Neris Loops Region
24	Glossy Hook-moss	Hamatocaulis vernicosus	Bryophytes	Neries kilpų apylinkės	Neris Loops Region
25	Marsh Fritillary	Euphydryas aurinia	Insects	Neries kilpų apylinkės	Neris Loops Region
26	Flat Bark Beetle	Cucujus cinnaberinus	Insects	Neries kilpų apylinkės	Neris Loops
27	Hermit Beetle	Osmoderma barnabita	Insects	Neries kilpų apylinkės	Region Neris Loops Region

28	Great Crested Newt	Triturus cristatus	Amphibians	Neries kilpų	Neris Loops
				apylinkės	Region
29	Fire-Bellied Toad	Bombina bombina	Amphibians	Neries kilpų	Neris Loops
				apylinkės	Region
30	Barbastelle	Barbastella barbastellus	Mammals	Neries kilpų	Neris Loops
				apylinkės	Region
31	Thick-shelled River Mussel	Unio crassus	Molluscs	Neries kilpų	Neris Loops
				apylinkės	Region
32	Lady's Slipper Orchid	Cypripedium calceolus	Vascular Plants	Naudvario miškas	Naudvaris Forest
33	Hermit Beetle	Osmoderma barnabita	Insects	Lapainios slėnis	Lapainiai Valley
34	Violet Copper	Lycaena helle	Insects	Šveicarijos miškas	Šveicarija Forest
35	Large Copper	Lycaena dispar	Insects	Šveicarijos miškas	Šveicarija Forest
36	Eurasian Bittern	Botaurus stellaris	Birds	Nemuno delta	Nemunas Delta
37	Montagu's Harrier	Circus pygargus	Birds	Nemuno delta	Nemunas Delta
38	White-tailed Eagle	Haliaeetus albicilla	Birds	Nemuno delta	Nemunas Delta
39	Spotted Crake	Porzana porzana	Birds	Nemuno delta	Nemunas Delta
40	Spotted Crake	Porzana porzana	Birds	Nemuno delta	Nemunas Delta
41	Corncrake	Crex crex	Birds	Nemuno delta	Nemunas Delta
42	Pied Avocet	Recurvirostra avosetta	Birds	Nemuno delta	Nemunas Delta
43	Dunlin	Calidris alpina	Birds	Nemuno delta	Nemunas Delta
44	Great Snipe	Gallinago media	Birds	Nemuno delta	Nemunas Delta
45	Little Gull	Larus minutus	Birds	Nemuno delta	Nemunas Delta
46	Little Tern	Sterna albifrons	Birds	Nemuno delta	Nemunas Delta
47	Black Tern	Chlidonias niger	Birds	Nemuno delta	Nemunas Delta
48	Whiskered Tern	Chlidonias hybrida	Birds	Nemuno delta	Nemunas Delta
49	Eurasian Eagle-Owl	Bubo bubo	Birds	Nemuno delta	Nemunas Delta
50	Short-eared Owl	Asio flammeus	Birds	Nemuno delta	Nemunas Delta
51	Aquatic Warbler	Acrocephalus paludicola	Birds	Nemuno delta	Nemunas Delta
52	Ortolan Bunting	Emberiza hortulana	Birds	Nemuno delta	Nemunas Delta
53	Northern Pintail	Anas acuta	Birds	Nemuno delta	Nemunas Delta
54	Gadwall	Anas strepera	Birds	Nemuno delta	Nemunas Delta
55	Northern Shoveler	Anas clypeata	Birds	Nemuno delta	Nemunas Delta
56	Eurasian Eagle-Owl	Bubo bubo	Birds	Nemuno delta	Nemunas Delta
57	Western Capercaillie	Tetrao urogallus	Birds	Pertako miškas	Pertakas Forest

# ANNEX IX. Legal landscape: affected communities

Table 41 summary of regulations regarding affected communities

Aspect affecting communities	Lithuania	Latvia	Estonia	International standards
Public health protections	National public health centre (nvsc) monitors farms' health risks; odor, ammonia, and zoonotic disease controls mandated; public health impact assessments (phias) for major projects.	Public health inspectorate oversees impacts; odor, noise, air, and zoonosis managed; phias required for major agricultural developments.	Health board monitors health risks from farms; phias part of eia/permit processes; community health protection integral to land use planning.	Who international health regulations: community health risks from agricultural operations addressed. Ilo c184 – safety & health in agriculture: applies to worker safety, indirectly protecting communities.
Land rights & displacement	Land expropriation for public interest regulated under civil code; farmers' and residents' rights protected; land use changes require public input.	Expropriation strictly controlled; saz and zoning plans consider social impacts; compensation mechanisms apply.	Planning act & land acquisition act: restrict expropriation; communities consulted on land use changes; resettlement rare but regulated.	Un basic principles on development- based displacement: communities must be consulted, compensated, and protected from forced displacement.
Cultural & traditional rights	Cultural heritage sites protected in land use planning; farming restricted near such sites; indigenous-like communities recognized to some extent.	Heritage laws protect cultural sites; land use plans account for social and cultural values.	Cultural heritage protected under heritage protection act; land use planning considers cultural sites; local traditions factored into community consultations.	Unesco convention on cultural diversity: cultural identity of rural communities protected. Ilo convention 169 (not ratified by baltic states, but international benchmark) on indigenous & tribal peoples' rights.
Economic & livelihood protections	Rural development programme offers subsidies; farm consolidation regulated; smallholders have legal protections; agricooperatives supported.	Rural economy supported via national subsidies and eu cap; community-based cooperatives protected by law.	Estonian rural development plan supports small farms, rural jobs, and community-led initiatives; legal protections against farm concentration and monopolization.	Fao right to food guidelines: protect rural communities' food security and economic rights. Un sdgs (goal 8 & 12): promote sustainable livelihoods and decent work, particularly in rural areas.
Community participation & decision-making	Mandatory hearings for large farms, zoning changes, and eias; locals can file objections, request inspections, and access environmental/social information.	Public hearings and information rights under eia, zoning, and farming permits; right to appeal decisions.	Environmental information act & planning act: communities have legal right to participate in decision-making on farming, land use, and permits; grievance mechanisms available.	Aarhus convention: guarantees information access, participation, and legal remedies in environmental and landuse matters. Un declaration on peasants' rights: promotes inclusion in agricultural decisions.
Access to justice & remedies	Administrative courts hear community complaints on farming impacts; legal aid available; ombudsman handles some grievances.	Right to challenge permits, zoning, and health decisions in courts; environmental and health ombudsmen provide remedies.	Administrative courts accessible for environmental, land use, and health disputes; public can contest farming-related permits and health risks; legal aid provisions exist.	Un guiding principles on business & human rights (ungps): require effective, accessible grievance mechanisms for communities harmed by business operations.

# ANNEX X. Legal landscape: end user protection

Table 42 regulation regarding end user protection, AB Akola Group, 2024/2025

Product group	Regulation/directive	Purpose/protection focus
Food products	Regulation (ec) no 178/2002	General food safety, traceability, recall obligations
Food products	Regulation (ec) no 852/2004	Hygiene requirements, haccp principles
Food products	Regulation (ec) no 853/2004	Animal-origin product hygiene (poultry)
Food products	Regulation (ec) no 2073/2005	Limits for pathogens, regular testing
Food products	Regulation (eu) no 1169/2011	Mandatory food labelling, consumer information
Food products	Regulation (ec) no 1935/2004	Safety of food contact materials
Food products	Directive 2005/29/ec	Prevents misleading marketing
Food products	Directive 2006/114/ec	Protects from misleading advertising
Fertilisers	Regulation (eu) 2019/1009	Safety, quality, labelling, ce marking for fertilisers
Fertilisers	National fertiliser regulations	Additional national safety and labelling rules
Fertilisers	General consumer protection rules	Misleading claims and truthful labelling
Plant protection products (ppp)	Regulation (ec) no 1107/2009	Authorisation of ppp, protects health/environment
Plant protection products (ppp)	Regulation (eu) no 547/2011	Clear labelling, risks, safety instructions
Plant protection products (ppp)	Directive 2009/128/ec	Training, certification, risk minimisation
Plant protection products (ppp)	General consumer protection rules	Misleading claims prevention, enforcement
Agromachinery	Directive 2006/42/ec	Machinery design, safety, ce marking
Agromachinery	Regulation (eu) no 167/2013	Type approval for tractors, trailers, machinery
Agromachinery	Regulation (eu) no 2016/1628	Emission limits, operator health protection
Agromachinery	Directive 2014/30/eu	Prevents electromagnetic interference
Agromachinery	Regulation (eu) no 2019/1020	Market surveillance, unsafe product removal
Agromachinery	General consumer protection rules	Prevents misleading marketing for machinery

