

**Consolidated Annual
Social Responsibility and
Sustainability Report**

2023



Contents

1.	Message from the CEO	3
2.	About the report	4
3.	About the company	5
4.	Business model	6
5.	Subsidiaries	7
6.	Strategy: vision, mission, values	8
7.	Governance model.....	9
8.	Sustainability Group.....	13
9.	Risk management	14
10.	Sustainability approach.....	20
11.	The main principles and commitments	21
12.	Materiality analysis	22
13.	Our goals and contributions to SDG's	26
14.	Environmental factors.....	30
15.	Social area.....	40
16.	Economic area.....	49
17.	Disclosure in accordance with the EU Taxonomy Regulation	51

1. Message from the CEO



Dalius Trumpa
CEO, AB „Rokiškio sūris“



The review of annual results is a special time to take a look back at our achievements and targets when it comes to responsible business and sustainable development. There is no doubt that business has an active role to play in creating a sustainable and healthy world. Our commitment is therefore not only to achieve economic success, but also to participate in shaping social and environmental change.

As defined in the Strategic Plan 2022-2024 of AB Rokiškio sūris, we aim to achieve the most sustainable milk processing at all stages, from raw milk collection to the final product. By updating our 3-year strategic plan, we will strive to step up our efforts in the environmental, social and governance (ESG) areas so that we remain a leader in the dairy industry not only in Lithuania, but also in the Baltic States in five, ten and even more years.

In recent years, we have introduced new technologies that allow us to use energy more efficiently, apply circularity in our production processes, reduce waste and thus contribute to reducing GHG emissions. We also actively encourage our employees to take part in sustainability initiatives, not only at work but also in their daily lives.

We are committed to creating a sustainable social environment, both within our company and in the communities where we operate: we invest in educational programmes, promote community spirit, and support a range of initiatives that increase employment and improve the quality of life of local people.

Thank you for joining us on this journey towards a better world. We believe that by working together, we can ensure a fulfilling life for future generations.

2. About the report

This consolidated Social Responsibility Report and Sustainability Report of Rokiškio sūris AB Group (the "Group") (the "Sustainability Report") is presented for the period from 1 January to 31 December 2023 and covers the activities of the entire Group. The Sustainability Report is published as part of the Company's consolidated annual report for 2023.

This Sustainability Report is the Group's report in accordance with the GRI (Global Reporting Initiative) standards (2021 update) and the Bank of Lithuania's recommendations on disclosure of sustainability-related information. The report contains the best information available at the time of publication but has not been formally audited. The content of the report has been compiled on the basis of materiality and in accordance with the principles of the United Nations (UN) Global Compact.

Here you can find information on the Group's ambitions to contribute to the UN Sustainable Development Goals (SDGs). The information is also in line with Nasdaq's US disclosure guidelines and describes activities and achievements in the areas of environmental, social and governance (ESG). This report meets the requirements for a corporate social responsibility report as stipulated in the legislation of the Republic of Lithuania.

Previous reports and contact person

The Group's previous Corporate Social Responsibility Report and Sustainability Report, published on 7 April 2023 together with the Consolidated Annual Report, as well as other information on sustainability can be found on the Group's website (www.rokiskio.com).

We value the views of our stakeholders and welcome your feedback on this report and the Group's sustainability performance by email to ausra.zibliene@rokiskio.com (contact person: Aušra Zibolienė, Head of Sustainability).

3. About the company

Business overview/ Key facts 2023



517 393 tons of raw milk processed



42 export markets



39 545 tons of various cheese manufactured



1 205 employees



GRI 2-3, GRI 2-4, GRI 2-5,
Nasdaq V8, Nasdaq V9, Nasdaq V10

4. Business model

Rokiskio suris, AB Group based in Lithuania (headquarter - Pramonės g. 3, Rokiškis) is a public limited liability company and consists of the parent company AB Rokiskio suris and five subsidiaries.:



Rokiškio pienas, UAB;



DairyHub.lt, UAB



Rokiškio pieno gamyba;
UAB



Latvian company SIA
„Jekabpils piena
kombinats“

Data from Latvian subsidiary does not included, because the amounts are not material.

Consolidation of Information is made in accordance with the International Financial Reporting Standards (IFRS).

The main activity of the joint-stock company Rokiskio suris, AB is the activity of dairies and cheese production. The main products are cheeses, butter, dry dairy products and short shelf life dairy products.



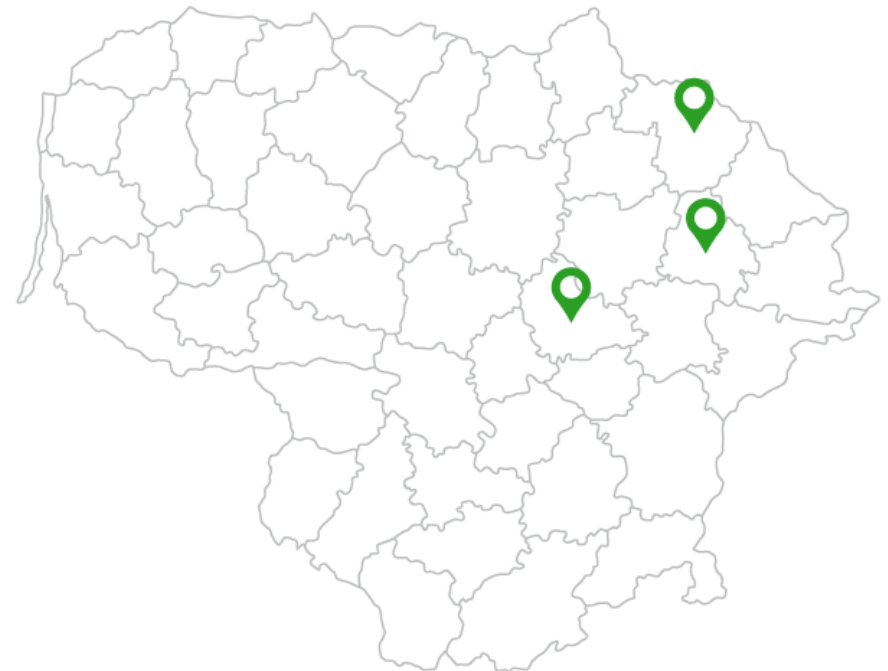
5. Subsidiaries

The main activity of UAB Rokišio Pienas is the sale of fresh dairy products and fermented cheeses.
The main activity of UAB Rokišio Pienas Gamyba is the production of fresh dairy products (milk, kefir, sour milk, butter, cottage cheese, quark, cottage cheese, sour cream, chocolate coated cheese bars, desserts) and milk flour.
Jekabpils piena kombinats SIA is active in the purchase of raw milk. SIA Kaunata is active in the purchase of raw milk.
DairyHub.lt UAB was established in 2021 and its main activity is the sale of dairy products.
The management of Rokišio sūris AB Group is organised according to the main functions:

- Raw milk purchasing
- Production
- Sales
- Logistics
- Finance
- Security

PRODUCTION IS CARRIED OUT IN THREE SPECIALISED PLANTS

Rokiškis (fermented cheese, lactose, whey protein concentrate), Utena (fresh dairy products, butter, milk and whey flour) and Ukmergė (cutting/packaging of hard cheese).



6. Strategy: vision, mission, values

In order to ensure that all members of the Group's governing bodies have a clear understanding of the Group's objectives, directions and ambitions, a Group strategy is developed which sets out the long-term strategic goals and objectives. The Group's activities are guided by a 3-year strategic plan approved by the Board of Directors, which sets out the vision and mission of the company and defines its objectives.

The main provisions of the strategic plan are set out below:

Mission: trusted dairy professionals.

Vision: processing more than 1 million tonnes of raw milk per year in Lithuania, which turns into little Baltlandia.

Objectives:

Sustainable milk processing;
Leadership in the dairy sector in the region;
Flexible production and sales of premium quality products exceeding consumer expectations;
To be the most attractive and reliable partner for dairy farmers;
Continuously increase shareholder value.

Values and strengths:

Cohesive team and good governance;
Modern technology;
Good workmanship;
Financial stability;
Speed and flexibility in decision making and in responding to external changes;
Continuous improvement (The Group devotes considerable attention and financial resources to the development of its employees' professional and general competences, skills and abilities).

A more detailed overview of the initiatives under the 3-year strategic plan is provided in the 2023 Consolidated Annual Report (see section "Group strategy and objectives").

7. Governance model

The Group's governing bodies are: the General Meeting of Shareholders, the Board of Directors, and the CEO. These governing bodies are obliged to act in the best interests of the Group and its shareholders, and to comply with the laws and regulations of the Republic of Lithuania and other legal acts.

The highest level of the Group's management body is the General Meeting of Shareholders. The Group's Management Board is elected by the General Meeting of Shareholders for a term of 4 years.

The Shareholders' Meeting shall be held at least once a year. The Group reports through the Central Regulated Information Database of the Nasdaq Vilnius Stock Exchange on significant economic, social and environmental events.

In accordance with the Group's Articles of Association, the Board is composed of 6 members, 2 of whom are independent. The Chairman of the Board is not an employee of the Group.

The competence of the members of the Board is regulated by the Law on Joint Stock Companies of the Republic of Lithuania (Articles 33 and 34).



In line with good corporate governance practice, the Group's Articles of Association set out the roles and responsibilities of this Board:

CONSIDERED AND APPROVED BY THE BOARD:

Annual report of the Group and its companies;
the Group's management structure and staff positions;
positions for which recruitment is by competitive recruitment;
the regulations of the Group's filiates and representative offices.

The Board elects and removes the Chief Executive Officer, determines his remuneration, other terms and conditions of employment, approves his terms of office, and grants incentives and penalties to him.

The Board shall adopt:

decisions for the company to become a founder or participant in other legal entities;

decisions to establish the company's filiates and representative offices;

decisions on the investment, transfer, lease (calculated separately for each type of transaction) of fixed assets with a book value exceeding 1/20 of the company's authorised capital, unless the Articles of Association specify a different value;

decisions on pledges and mortgages of fixed assets with a book value exceeding 1/20 of the company's authorised capital (calculated as the total amount of the transactions), unless a different value is specified in the statutes;

decisions concerning the guarantee or indemnity of other persons for the performance of obligations of more than 1/20 of the company's authorised capital, unless the statutes specify a different amount;

decisions to acquire fixed assets for a price exceeding 1/20 of the company's share capital, unless the articles of association specify a different price.

The Board shall be responsible for convening and holding General Meetings of Shareholders in a timely manner. The members of the Board shall be obliged to protect the Company's commercial (industrial) secrets and confidential information which they have become aware of in their capacity as members of the Board.

During the reporting period, the Board did not receive any notifications of critical incidents.

The Company's Audit Committee is composed of 3 members (2 men and 1 woman, 2 of whom are independent).

The functions, rights and duties of the Audit Committee are regulated by the Regulations on the Establishment and Activities of the Audit Committee of Rokiškio sūris AB, approved by the General Meeting of Shareholders of the Group, and by other documents regulating the activities of the Audit Committee.

Main functions of the Audit Committee:

To monitor the process of preparation of the financial statements of the Group and its subsidiaries;

to monitor the effectiveness of the Group's internal control, risk management and internal audit systems;

to make recommendations to the Group's Board of Directors regarding the selection of the external audit firm and to monitor the process of conducting this audit;

to monitor the independence and objectivity of the external auditor and the audit firm;

to inform the Group's Board of Directors of material internal control weaknesses identified by the external and internal auditors in relation to the financial statements and to make recommendations for their remediation;

act honestly and responsibly for the benefit and welfare of the Group and its shareholders.

The Group does not currently have a Supervisory Board



The requirements for candidates for nomination to the Group's governing bodies do not discriminate on the basis of age, gender, education or professional experience. The main criterion for the election of members of the governing bodies is the competence of the candidate.

The Senior Management has established, implements and monitors such policies:

- | | | | |
|---------------------------------|----|---|----|
| Anti-corruption policy | -> | Food safety, quality and environment policy | -> |
| Personal data protection policy | -> | Equal opportunities policy | -> |
| Remuneration policy | -> | Violence and harassment prevention policy | -> |
| Code of Ethics | -> | Human rights policy | -> |

Each Group policy document is communicated to every employee of the Group. It is broken down into specific measurable objectives for the relevant units and/or divisions of the Group to ensure its implementation. The implementation of the objectives is reviewed at least once a year during the management review.

A more detailed overview of management practices is provided in the 2023 Consolidated Annual Report (see section "Corporate governance bodies").



up to all of us to create a future for our children and grandchildren.

8. Sustainability Group

Sustainability is increasingly becoming an integral part of a company's operations. During 2023, the company's Sustainability Group has added new members, strengthened its activities, introduced sustainability initiatives and is increasingly spreading the idea of sustainability so that all employees apply the principles of sustainability in their work and work towards common goals, while assessing the positive impact in the social, environmental and governance fields. Currently, the group consists of 12 specialists from different areas of the company, from all the companies of the AB Rokiškio sūris Group.

The Sustainability Group is structured to cover all three levels of sustainability: environmental, social and governance, and includes specialists from the environment, human resources, quality management, purchasing, energy, preparation and marketing. The members of the group hold meetings and discuss relevant topics. In 2023, each month was dedicated to a sustainability initiative to better acquaint the company's employees with sustainability ideas and their application in everyday life, so that sustainability becomes an integral part of the company's activities. It is important to realise that sustainability is not just a passing fad, that such practices need to be embedded in the strategy and mindset of the whole company, that it is

9. Risk management







In order to achieve its strategic objectives and to respond to the dynamic operating environment, the Rokiškio sūris Group carried out a sustainability risk assessment in 2023 in relation to the Group's material sustainability themes. The ability to proactively respond to evolving risks is crucial and ensures that our management receives the most relevant information in time to make the necessary decisions.

A team from the Sustainability Group has been appointed to assess sustainability topics. The Sustainability Team assesses risks against the following criteria:

Residual risk: taking into account the control measures already in place at Rokiškio sūris AB to mitigate the potential impact of their materialisation.

In terms of probability of occurrence (past and future).

In terms of their impact on three aspects: economic, organisational and/or reputational.

Material topic	Description	Related risks	Risk management	Probability of occurrence/impact
Environmental factors				
CLIMATE CHANGE	Greenhouse gas calculations across the value chain, strategic reduction, energy efficiency, renewable energy.	<ul style="list-style-type: none"> Greenhouse gas (GHG) air pollution directly from own production facilities and indirectly in the value chain. 	<ul style="list-style-type: none"> GHG accounting (Scope 1, 2, 3). A plan to reduce GHG emissions is developed and regularly reviewed. 	 
		<ul style="list-style-type: none"> Market availability and cost of renewable energy sources. <ul style="list-style-type: none"> Availability of environmentally friendly freight transport. 	<ul style="list-style-type: none"> Installing your own green energy plants. Boilers installed in the factory to produce hot water from energy generated by renewable sources. Replacement of thermal energy with renewable energy is technically feasible. Replacing car fuels with renewable sources is so far only available for light-duty vehicles. 	 
		<ul style="list-style-type: none"> Ensuring uninterrupted energy supply. Technological substitutability, adoption of new technologies. 	<ul style="list-style-type: none"> Heat pumps installed to reduce the amount of thermal energy purchased. Medium-voltage switchgear is fed from two independent sources, which feed the power transformers. In the event of a voltage failure in one substation, the other is immediately supplied. Replacing electricity with renewable energy. 	 



- Strict conditions for contracted heat/steam supply.
- Installed steam thermal energy metering to monitor, control and automate the energy consumption and requirements of the various workshops.
- Production process optimisation programmes are introduced in the relevant workshops to eliminate the "human factor" and rationalise the use of energy resources.
- Self-generation of heat in two natural gas-fired boiler houses in Utena and Ukmergė.
- Waste sorting, accounting, recycling targets (e.g. packaging waste), waste reduction targets.
- Cooperation with waste managers.
- Target to reduce the amount of waste going to landfill (tracking indicator).
- Tracking and adapting innovations.



- Ensuring the rational use of water through regular accounting and monitoring, in compliance with all applicable laws.
- Water reduction targets.
- Industrial and surface wastewater treatment, control studies, pollutant accounting and analysis.
- Reuse treated water instead of groundwater as far as possible.
- Ensuring animal welfare is continuously monitored through milk quality indicators.
- There is constant direct contact with farms: suppliers can consult, seek advice on financing, etc.
- Regular farm audits by buyers and our shareholder Fonterra.



PRODUCTION WASTE Industrial waste management, strategic waste reduction, separation and management of waste streams.

- Poor waste management, failure to implement circular economy principles (waste charges, loss of valuable raw materials).

CIRCULAR ECONOMY Applying the circular economy model to the business chain.

CONSERVATION OF WATER RESOURCES Responsible management of water availability and quality and rational use throughout the supply chain, wastewater management.

- Water scarcity.
- Overexploitation, pollution and declining availability of water resources.
- Improper wastewater management.

ANIMAL WELLBEING Ensuring responsible and caring treatment of farm animals (feeding, watering, avoiding pain or discomfort, etc.); rational use of antibiotics for the treatment of animal diseases; a responsible policy of

- No sustainability risks identified: suppliers are subject to strong and effective national and EU regulation in this respect.

No risks identified in 2023	No risks identified in 2023
-----------------------------	-----------------------------



<p>PRODUCT PACKAGING AND WASTE</p>	<p>co-operation between livestock and feed suppliers; and responsibility for the entire life cycle of animals.</p> <p>Responsible product packaging design and lifecycle responsibility, innovative packaging solutions.</p>	<ul style="list-style-type: none"> • Pollution from packaging waste due to inadequate waste management, lack of environmentally friendly packaging innovations for dairy products, high financial burden on the Group. 	<ul style="list-style-type: none"> • Optimal packaging design that meets the necessary quality requirements. • Ensuring proper labelling of the composition of packaging. • When choosing packaging suppliers, preference is given to manufacturers using the latest technologies. 	<table border="1"> <tr> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> <td style="width: 20px; height: 15px;"></td> <td style="width: 20px; height: 15px;"></td> </tr> <tr> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> </tr> </table>						

SOCIAL FACTORS

<p>FOOD SAFETY AND QUALITY</p>	<p>Ensuring the quality and safety of dairy products for the health of consumers; ensuring a healthy and wholesome diet and the nutritional quality of products.</p>	<ul style="list-style-type: none"> • Products do not meet safety and quality requirements. 	<ul style="list-style-type: none"> • The Group's manufacturing companies have implemented and certified food safety systems in accordance with International Food Standards (IFS), ensuring compliance with the highest safety and quality standards. All Group factories are rated at Higher level by independent auditors. • Measurement and control of parameters during all production processes, laboratory control tests. • The ingredients used in production are purchased from a list of trusted suppliers, with proof of quality. Quality checks are carried out at the time of reception at the plants. • A portion of the production of each batch is retained on site and stored under defined storage conditions to allow for inspection during the shelf-life period (in the event of complaints from customers). 	<table border="1"> <tr> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> <td style="width: 20px; height: 15px;"></td> <td style="width: 20px; height: 15px;"></td> </tr> <tr> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> <td style="width: 20px; height: 15px; background-color: #92d050;"></td> </tr> </table>						
<p>HUMAN RIGHTS</p>	<p>Protection of human rights, including all persons affected by the Group's activities.</p>	<ul style="list-style-type: none"> • No sustainability risks identified: the Group strictly adheres to the established and approved human rights policies. 	<ul style="list-style-type: none"> • Updating and adoption of additional documents to ensure minimum human rights violations: anti-corruption policy, code of ethics, equal opportunities policy, human rights policy, violence and harassment prevention policy. 	<table border="1"> <tr> <td style="width: 20px; height: 15px;"></td> <td style="width: 20px; height: 15px;"></td> <td style="width: 20px; height: 15px;"></td> </tr> <tr> <td style="width: 20px; height: 15px;"></td> <td style="width: 20px; height: 15px;"></td> <td style="width: 20px; height: 15px;"></td> </tr> </table> <p>No risks identified in 2023</p> <p>No risks identified in 2023</p>						



SUPPORT FOR LOCAL COMMUNITIES	Establishing and maintaining mutually beneficial relationships with the communities in which we operate, including social and/or educational projects.	<ul style="list-style-type: none"> Refusal to support local communities could lead to dissatisfaction and damage the Group's reputation. 	<ul style="list-style-type: none"> The Group aims to maintain its status as a trusted social partner by contributing to solving pressing social problems in our society and by supporting various institutions, organisations and their projects, promoting various initiatives. We also support various cultural events, sports development projects and help improve the living environment of socially vulnerable groups. 	<table border="1"> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> </table>						

GOVERNANCE / ECONOMICAL FACTORS

INNOVATION	Deploying innovative technologies across the business chain, using digital technologies to improve business efficiency and productivity.	<ul style="list-style-type: none"> The lack of speed and smoothness in the implementation process is linked to a lack of competences in certain areas. Potential risk of failure due to lack of knowledge in certain areas. 	<ul style="list-style-type: none"> The Group is currently focusing on innovation within the production process, as they are the experts in the field and have the best knowledge of the potential and need for innovation in the production process. Innovation selection, planning process management. The majority of innovative projects are based on the experience of Fonterra's business partners, which ensures the success and profitability of the project. The Group aims to train an increasing percentage of its workforce in sustainability in order to be able to develop sustainable innovations covering the entire value chain up to the final product. 	<table border="1"> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> </table>						

RESPONSIBLE INVESTMENT	Applying environmental, social and governance criteria to the Group's operational investments.	<ul style="list-style-type: none"> No assessment of environmental and social aspects has been identified in this topic. Investments are made in the context of economic-financial viability. 	<ul style="list-style-type: none"> Financial investments are made in line with the Group's strategic objectives. Projects are evaluated against the mandatory requirements for implementation of that project. Certain environmental and social aspects are required by national law, e.g. when constructing new buildings. The Group also has investment management plans in place and reviews them annually. Each year, prior to the approval of the budget and investments, a list of assumptions is drawn up to guide each division in the preparation of its expected investments, and the investments are approved by the company's management. 	<table border="1"> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> </table>						

REGULATORY COMPLIANCE AND TAX	Compliance with all dairy industry requirements and fair payment of taxes.	<ul style="list-style-type: none"> Violations are subject to fines, restriction or suspension of activities, and negative impact on the Group's reputation. 	<ul style="list-style-type: none"> The Group has a Code of Ethics and an Anti-Corruption Policy which clearly and publicly declares its negative attitude towards bribery and corruption. The provisions of this policy apply to all employees, agents, intermediaries, 	<table border="1"> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> </table>						



SUSTAINABILITY AND RESPONSIBILITY IN SUPPLY CHAIN

Achieving positive environmental, social and economic impacts in the supply chain, taking into account the sustainability practices of supplier companies.

- Negative environmental, social or economic impacts in the supply chain due to a lack of supplier responsibility.
- There is a lack of detailed information on suppliers and their environmental and social performance.

suppliers and subcontractors of the Group, with the aim of preventing corruption and corruption in all its activities.

- Group companies also provide periodic training for professionals and apply related control measures.
- The Group has a list of approved suppliers. Approved suppliers have implemented and certified food safety/quality management systems according to international standards. Where this is not the case, the Group's specialists carry out audits to determine whether suppliers meet the requirements. Repeated audits are carried out every 3 years for food ingredients and every 5 years for packaging. We also carry out annual assessments of suppliers against defined assessment criteria, taking into account historical data. In the event of an unsatisfactory assessment, suppliers may be removed from the list of approved suppliers. This also means that in order to resume cooperation, suppliers have to go through the supplier re-approval process.



The risk management process consists of four main steps: risk identification, risk assessment, management strategy definition and monitoring.

It is foreseen that new risk management measures will be planned on an annual basis, where appropriate, and new potential sources of sustainability risks will be reviewed. New sources of risk will be identified immediately, risks will be assessed, a management strategy will be defined and risk management will be monitored periodically.

All sustainability topics and the wider management of their impacts are described in this report.

EXPLANATION:

Low risk



Medium risk



High risk



If the Group's activities cause or contribute to an adverse effect, it would take action in accordance with its internal procedure on Food Safety, Quality and Environmental and other crisis management. The Group's obligations to address adverse impacts are set out in its policy documents.

Group companies have a complaints management system. All complaints are evaluated and addressed. Where they are substantiated, appropriate action is taken; where necessary, action is taken immediately. Complaints are analysed and preventive measures are taken to avoid a recurrence of adverse effects. The results of the analysis of complaints shall be made available to the relevant responsible persons and senior management.

A procedure for the management of non-conformities in products, processes and activities is in place. In the event of emergencies, actions are foreseen in accordance with the Management Plan for Food Safety, Quality and Environmental Emergencies and Other Emergencies. An environmental monitoring programme for monitoring the environmental status of the operators is in place in agreement with the Environmental Protection Agency.

A more detailed overview of risk management is provided in the 2023 Consolidated Annual Report (see section "Risk factors and risk management").



10. Sustainability approach

A sustainable business is one whose development is based on a balance between economic growth, social well-being and environmental prosperity. For Rokiskio sūris AB, maintaining its leading position in the dairy sector is a challenge to find the right balance between creating sustainable value for shareholders and focusing more efforts on ESG issues. Sustainability is still more commonly understood at the corporate level as environmental protection, but on a sustainability-by-sustainability basis, it is safe to say that the company has always been committed to both social well-being and to caring for the environment in which it operates.

The Group's activities are guided by a 3-year strategic plan approved by the Board of Directors, which sets out the Group's mission, vision, goals and long-term objectives. We plan to update our strategic plan to integrate sustainability and the most material sustainability areas identified (see section "Materiality assessment").

We communicate the Group's achievements to all stakeholders. We will strive to ensure that all the Group's activities are guided by the principles of sustainability. We will not limit ourselves to what has already been achieved and to best practices, but will continue to look for new ways where and how we can apply a more sustainable approach to our activities.

The Group's day-to-day impact on the economy, nature and people is coordinated by the Sustainability Group, reporting directly to the Group Chief Executive. The Group is made up of senior managers and other employees who, by the nature of their work, have direct responsibility for important areas of the Group's sustainability. The disclosures in the Sustainability Report, including the most significant sustainability areas, are presented and approved at the General Meeting of Shareholders.

The Sustainable Operations Group defines its mission as "to make sustainability an integral part of the way we do business across the enterprise". That is, to embed sustainability more deeply in the company's philosophy and in all business processes, to go beyond isolated investments in environmental and social projects, and to permeate all activities with the idea of sustainability. To increase the spread of sustainability awareness, the company organises external training and seminars and involves its employees in sustainability initiatives.

The Group's top management has developed, implements and oversees a Food Safety, Quality and Environmental Policy that includes the promotion of sustainable practices throughout the value chain. The Quality Policy is communicated to every employee of the Group and is mapped to specific measurable objectives of the respective business units. Our sustainability initiatives include membership of Sedex, through which we work to ensure responsibility in the supply chain, and a subscription to the EcoVadis sustainability assessment. Our strategic partner in sustainability is our shareholder Fonterra, a New Zealand dairy cooperative. In addition, the company's ESG data is now uploaded and distributed through Nasdaq Genium Consolidated Feed. Rokiskio sūris AB has been certified as a Nasdaq ESG Transparency Partner, demonstrating its involvement in ensuring market transparency and raising environmental standards.

GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-17, GRI 2-18, GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-28, Nasdaq G9



11. The main principles and commitments

The Group's strategic direction is based on the principles that guide our day-to-day activities:

we take into account the environmental, social and economic aspects of our operations to create value in a comprehensive and sustainable way, which is also reflected in our financial performance;

we aim to contribute to the Sustainable Development Goals (SDGs) in areas where our activities have a significant impact on sustainability (see "Our ambition in the global context of sustainable development");

contributing to the European Green Deal and the Paris Agreement on climate change, and committing to becoming a climate-neutral market participant (net-zero emissions) by 2050);

promoting the circular economy and finding innovative solutions for product packaging, using natural resources rationally and sustainably;

when deciding on actions related to the sustainable development of the Group, we aim to involve, engage ethically, transparently and fairly with all stakeholders;

promoting the circular economy and finding innovative solutions for product packaging, using natural resources rationally and sustainably;

when deciding on actions related to the sustainable development of the Group, we aim to involve, engage ethically, transparently and fairly with all stakeholders;

We support the United Nations Global Compact and the Group's work is guided by the 10 universally accepted Principles for Responsible Business in the areas of human rights, workers' rights, the environment and anti-corruption.

12. Materiality analysis

In 2021, we carried out the first materiality analysis of the Group's sustainability aspects in line with the GRI guidelines. This assessment identified priority sustainability themes to guide our sustainability strategy and the content of our sustainability report. As there have been no material changes in the company's operations, we plan to carry out another materiality assessment should the situation change.

The materiality assessment consists of the following steps:

We have looked at the most relevant sustainability topics for market players in our sector and compiled a list of environmental, social and governance (economic) topics. We have also included specific recommendations for the dairy industry published by the Dairy Sustainability Framework (DSF), the Sustainability Accounting Standards Board (SASB) and MSCI organisations.

We have analysed our stakeholders and carried out a survey to find out what is most important to them in terms of sustainability. The questionnaire was completed by 393 respondents from each of our stakeholder groups. The consumer group for our products was represented by the Lithuanian Consumer Alliance.

We have assessed each topic according to its actual or potential impact on society and the environment, taking into account the topic's relevance to the Group's strategy. Based on the results, we developed a materiality matrix of sustainability topics, which was reviewed and approved by management.

STAKEHOLDER ENGAGEMENT

Our stakeholders are those individuals or organisations who are highly relevant and/or have a significant impact on our activities and those who can significantly influence the implementation of our strategy. We have an interest and responsibility to ensure ongoing meaningful engagement with our stakeholders, to enable all stakeholders to access information about the Group and to make suggestions for improving our performance.

We identify the following key stakeholder groups and the issues of mutual concern to us and them:

Shareholders and other investors	Conducting profitable and sustainable operations in compliance with the law and the Group's Articles of Association
Customers (wholesale buyers)	Long-term business-to-business (B2B) cooperation
Employees (including employee organisations)	Creating the right working conditions, ensuring safety, developing competences and improving process efficiency
Consumers	Responding to market needs as well as possible, developing safe, quality products
Raw milk suppliers	Seeking long-term partnerships and creating mutual value by continuously improving environmental and animal welfare conditions
Suppliers of other raw materials and services	Selecting suppliers in accordance with ethical business and environmental requirements
Government organisations	To comply with the laws of the Republic of Lithuania in good faith and to obtain advisory assistance or financial support for the Group's ongoing investment projects
Media	Provide transparent and reliable information to the public
Local communities and non-governmental organisations (NGOs)	Fostering community by supporting various initiatives and contributing to the well-being of our employees
Academic community	Collaborate on research into new product development, packaging and process improvement; develop the younger generation.

Materiality matrix

Importance to stakeholders

Very high	<ul style="list-style-type: none"> E Animal wellbeing E Product packaging and waste 	<ul style="list-style-type: none"> E Climate change E Production waste E Water conservation S Human rights 	<ul style="list-style-type: none"> S Product safety and quality S Employment conditions and employee well-being
High	<ul style="list-style-type: none"> E Soil health E Use of resources E Biological diversity 	<ul style="list-style-type: none"> G Compliance with regulations and fair tax payment E Sustainable and responsible supply chain management E Circular economy 	<ul style="list-style-type: none"> S Supporting local communities G Use of innovative technologies
Medium	<ul style="list-style-type: none"> S Talent attraction and retention G Science and education G Market development S Diversity and equal opportunities at work G Transparency and stakeholder engagement G Data security and privacy 	<ul style="list-style-type: none"> G Business ethics and anti-corruption S Responsible marketing and communication S Resilience of the rural community 	<ul style="list-style-type: none"> G Responsible capital investment
	Medium	High	Very high

Impact on society and the environment

The following matrix outlines the social, environmental and governance/economic themes that are most relevant to the sustainability of our business.

All of these topics are important, but in order to prioritise sustainability, they are ranked in order of importance to stakeholders and impact on society and the environment.

Legend:

- E environmental topics
- S social topics
- G governance (economic) topics






Our assessment identified 14 key sustainability themes for the Group:





PRODUCT SAFETY AND QUALITY: Ensuring the quality and safety of dairy products for the health of consumers, ensuring a healthy and wholesome diet, and the nutritional quality of products.	GRI 416
WORKING CONDITIONS AND WORKER WELFARE: Ensuring a suitable working environment and safe working conditions, including work organisation and work activities, training, health, safety, fiscal and emotional well-being, working time and work-life balance.	GRI 401; GRI 403
CLIMATE CHANGE: greenhouse gas accounting across the value chain, strategic reduction, energy efficiency, renewable energy.	GRI 302; GRI 305
MANUFACTURING WASTE: industrial waste management, strategic waste reduction, separation and management of waste streams.	GRI 306
WATER RESOURCE MANAGEMENT: responsible management and rational use of water availability and quality throughout the supply chain	GRI 303
HUMAN RIGHTS: Protecting human rights, including all people affected by our business activities.	GRI 403; GRI 406
SUPPORTING LOCAL COMMUNITIES: establishing and maintaining mutually beneficial relationships with the communities in which we operate, including social and/or educational projects.	GRI 413
INNOVATION: deploying innovative technologies throughout the business chain, applying digital technologies to improve business efficiency and productivity.	
ANIMAL WELFARE: responsible and caring treatment of farm animals (to ensure that they are fed, watered, not subjected to pain or discomfort, etc.); rational use of antibiotics for the treatment of animal diseases; a responsible policy of co-operation between livestock and feed suppliers; and responsibility for the entire life cycle of animals.	
PRODUCT PACKAGING & PRODUCTS: responsible product packaging design and responsibility for the entire packaging life cycle, innovative packaging solutions.	
RESPONSIBLE INVESTMENT: applying environmental, social and governance criteria to the Group's operational investments.	
REGULATORY COMPLIANCE AND TAXATION: Compliance with all requirements applicable to the dairy industry and fair payment of taxes.	GRI 207
SUSTAINABILITY AND RESPONSIBILITY IN THE SUPPLY CHAIN: Achieving a positive environmental, social and economic impact in the supply chain, taking into account the sustainability practices of supplier companies.	GRI 308; GRI 414
THE CIRCULAR ECONOMY: applying the circular economy model to the business chain.	GRI 306





GRI 3-2; GRI 3-3

13. Our goals and contributions to SDG's

In 2015, the United Nations agreed to pursue sustainable international development and to achieve 17 Sustainable Development Goals (SDGs) by 2030. These goals set a universally accepted direction for sustainable development, which we are committed to. Our activities contribute most to the 10 SDGs listed in the table below.

Material topics	Most relevant SDG's	Most relevant SDG targets	Our long-term sustainability direction	Our goals for 2024
Environment				
Climate change	 	7.2 7.3 13.1 13.2	Join the climate change initiative to keep the temperature rise below 1.5 (2)°C, set science-based targets, and reduce our carbon footprint as much as possible or even become CO2 neutral. In the short term, pursue a policy of reducing the use of fuel, energy, water and other materials per unit of output. By 2050, move towards 100% renewable energy.	By 2025, 50% of energy consumption must come from renewable sources. Reduce GHG emissions by 25% by 2025 and achieve appropriate relative targets across all major business units. Become a climate-neutral market player by 2050. Reduction of the Group's fuel consumption by 1% compared to 2023.
Conservation of water resources		6.4	Control water consumption, increase the use of recycled water and continuously seek process improvements.	Reduce energy consumption. Deployment of renewable energy sources and implementation of the action plan.

<p>Sustainability and responsibility in the supply chain</p>		<p>12.2 12.6</p>	<p>Reduce environmental impacts throughout the supply chain. Encourage suppliers to adopt environmentally friendly practices in their operations and supply chain that also benefit the local community. Work with suppliers towards the common goal of producing sustainable food products. To work with suppliers who apply good agricultural practices and monitor the safety of their products. To continuously improve our audit programme to achieve better results over time. Act ethically and in compliance with applicable laws.</p>	
<p>Circular economy</p>		<p>12.4 12.5</p>	<p>Develop a packaging strategy to reduce the use of plastics and make as much packaging as possible recyclable</p>	
<p>Production waste</p>		<p>12.4 12.5</p>	<p>Improve the sorting of waste generated and require sustainable waste management from service providers. Join the zero waste to landfill initiative.</p>	
<p>Product packaging and waste</p>		<p>12.4 12.5</p>	<p>Reducing the amount of packaging put on the market. Seek environmentally friendly packaging that is easily recyclable, safe and made from recycled materials. Ensure that it does not contain hazardous or toxic chemicals.</p>	

<p>Animal wellbeing</p>		<p>12.4 12.5</p>	<p>Increase the quantity of milk purchased with a somatic cell count lower than the previous year's average and decrease the quantity of milk purchased with a somatic cell count higher than the targets. Continue to actively engage with dairy farms, recommending investment in new buildings to improve housing conditions, increase herd size, and continue farm evaluations</p>	
<p>Social area</p>				
<p>Human rights</p>		<p>8.8</p>	<p>Continue to ensure equal working conditions for all workers, and opportunities for up-skilling, vocational training, retraining and practical work experience. Provide equal pay regardless of a worker's gender, race, nationality, language, origin, social status, religion, beliefs or opinions, age, sexual orientation, disability, ethnicity, religion. Continue to promote and respect international human rights and ensure their protection in our activities, and prevent any violation of human rights</p>	<p>Continue to actively pursue compliance with all codes of conduct (in particular the Supplier Code of Conduct) and policies in force within the Group. Regularly update employees' knowledge and consistently adhere to and develop the social policy model across the Group. Actively work with raw milk suppliers to promote sustainability initiatives that help reduce GHG emissions.</p>
<p>Food safety and quality</p>		<p>12.4</p>	<p>Produce products from the highest quality raw materials. Expanding the range of healthier products, e.g. reduced-sugar, protein-enriched, organic, reduced-fat, etc. Pay special attention to products whose end consumer is infants.</p>	<p>Actively work with raw milk suppliers to promote sustainability initiatives that help reduce GHG emissions.</p>
<p>Working conditions and employee welfare</p>		<p>10.2 10.3</p>	<p>Continue to create healthy and safe working conditions throughout the value chain, a welcoming atmosphere where employees feel comfortable, can develop their skills and knowledge.</p>	<p>Continue independent sustainability assessment through the EcoVadis system. The most recent assessment was carried out on 19 March 2023, in which the Group's sustainability performance was</p>

Support for local communities		11.a	Focus on projects that create long-term value, educate the community and increase economic potential. To continue to maintain close relations with local communities, to contribute to better living and leisure conditions for community members, and in particular to promote employment for children and young people.	assessed with a score of 62 (out of 100), representing the 79th percentile of all organisations assessed.
Governance				
Innovation		9.4	Responsibly deploying innovative technologies to increase the Group's productivity, reduce environmental impact and improve working conditions.	Set environmental, social and economic criteria for investments in the Group's activities.
Responsible investment		16.5	Ensuring that the Group's investments help us achieve our strategic goals and have a positive impact on nature, people and the economy.	We will ensure and continue to comply with all legislation and adhere to the approved tax strategy. We will implement the Group's approved policies (Food Safety, Quality and Environmental Policy, Sustainable Purchasing Policy, Ethical Employer Policy, Business Ethics Policy).
Regulatory compliance and tax		16.5		



14. Environmental factors

ANIMAL WELFARE

The Group's main raw material is cow's milk, purchased from farms in Lithuania, Latvia and Estonia. We buy milk only after concluding detailed milk purchase and sale agreements, which also include animal welfare requirements. By signing the contract, the seller confirms that the milk sold comes from cows kept in herds that are part of the EU competent authorities' agricultural surveillance system and comply with EU rules.

The Group's farms and those of its partners are regularly inspected to ensure compliance with the highest ethical standards of animal welfare. 2 times a year, according to pre-determined schedules, we carry out a self-monitoring programme: visits to dairy farms to assess compliance with farm animal welfare requirements. In rare cases of non-compliance, more frequent audits may be carried out and the business partnership may be terminated.

In addition to on-farm monitoring by the company's specialists, periodic on-farm audits are carried out by an international audit team approved by Fonterra. The audit criteria include: acceptability of the raw milk farm, milk testing, farm infrastructure, on-farm quality management, animal health and morbidity management, safety and sustainability.

We only buy raw milk from EU-compliant farms that ensure the welfare of their cows in line with the Five Freedoms:

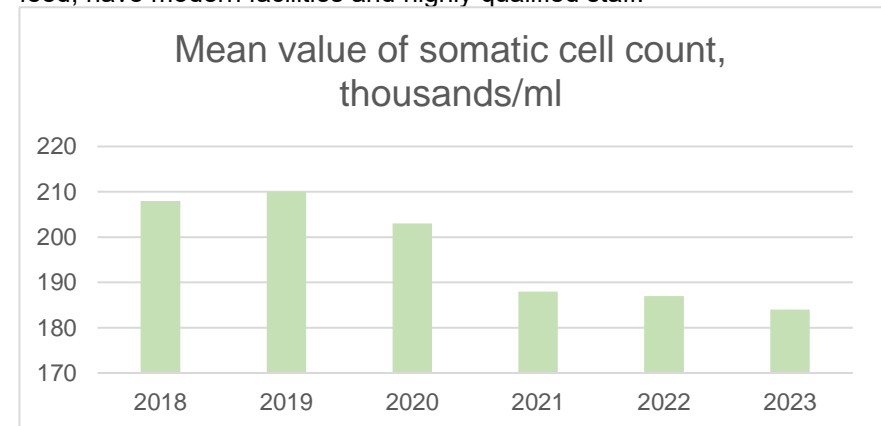
- Freedom from hunger and thirst, a nutritious diet and free access to water;
- Freedom from discomfort;
- Freedom from pain, injury or illness;
- Freedom to express normal behaviour;
- Freedom from fear and suffering.

We work closely with UAB Pieno tyrimai, a Lithuanian accredited laboratory, which provides up-to-date information on issues of relevance to both the company and the dairy farms themselves. UAB Pieno tyrimai provides seminars for farmers, runs a programme to monitor animal performance, feed quality testing, and a PCR testing programme to identify the causative agents of mastitis in cows. Through these measures, we help dairy farms to implement sustainable practices and grow steadily.

Although Rokiškio sūris can only partially influence the introduction and improvement of sustainability practices on farms, these aspects are strongly controlled by public bodies. The Group in turn supports farms implementing modern practices, organises training, and helps to implement various on-farm maintenance systems, which have a direct impact on the company itself, its efficiency and the quality of its products.

We work with farmers to help them calculate their CO₂ emissions and set ways and targets to reduce them.

Only good quality milk can produce quality dairy products, and good quality milk can only come from healthy animals (milk is only bought from farms with healthy herd status). We monitor the somatic cell count (SCC) of all milk delivered from farms. Over the last five years, according to statistics provided by UAB Pieno tyrimai, the number of somatic cells in the milk purchased by AB Rokiškio sūris has decreased by about 2% compared to the previous year. This is due to our choice to buy more raw milk from large farms that are strictly supervised, adhere to high standards of sustainability, supply animals with balanced and consistent feed, have modern facilities and highly qualified staff.



*Somatic cell count is an indicator of milk quality. The lower the number, the higher the milk quality.



CLIMATE CHANGE

While direct greenhouse gas (GHG) emissions from our production facilities are relatively low, a significant proportion of emissions come from energy consumption, mobile sources and, most notably, from processed milk. Greenhouse gases are gases that absorb some of the infrared radiation that enters the atmosphere, causing the Earth's surface temperature to rise as they accumulate. In addition to the most well-known carbon dioxide (CO₂), there are two other GHGs that are often produced in the dairy industry: nitrous oxide (N₂O) and methane (CH₄). To calculate the GHG emissions (carbon footprint) resulting from our activities, we express the different greenhouse gases in terms of their impact on global warming in terms of carbon dioxide equivalent (CO₂e).

To manage environmental risks and improve performance, Rokiskio sūris AB voluntarily implemented the ISO 14001 Environmental Management System standard in 2001 (subsidiaries - 2002 and 2003). The management system has been certified and independently audited by UAB Bureau Veritas Lit. No observations or non-conformities were identified during the internal and external audits in 2023.

Internal environmental procedures govern the organisation's environmental and energy performance accounting activities. In accordance with these procedures, the data are analysed and presented to the management. Proposals are made to achieve objectives and improve processes, improvement plans are drawn up and investments are made to implement the plans. We are committed to the Paris Agreement to keep temperature rise below 2°C and to work towards keeping global warming below 1.5°C. This is a science-based long-term goal.

Volumes 1, 2 and 3

The calculations are based on the Greenhouse Gas Protocol (GHG) standard and the Intergovernmental Panel on Climate Change (IPCC) guidelines. All direct Scope 1 emissions are related to the Group's controlled activities, e.g. emissions from the Group's vehicles and other direct emissions from production facilities (Scope 2)

emissions are indirect operational emissions generated by our energy suppliers (electricity and heat). We have included CO₂, CH₄, N₂O and fluorinated greenhouse gases (HFCs and PFCs) in the calculations, expressed as carbon dioxide equivalent. "Scope 2 Scope 3: We assessed the areas most relevant to our activities: 1. Purchased goods and services, 2. Major equipment, 3. Fuel and energy activities, 4. Upstream transport and distribution, 5. Waste generated in operations, 9. Transportation and downstream distribution. By extending the calculations for Scope 3, 2. Major equipment, the calculations are also made for the earlier period 2022.

The GHG emissions of a group of companies include: AB Rokiškio sūris, UAB Rokiškio pieno gamyba, UAB Dairy Hub, SIA Jekabpils piena kombinats, milk buying points, rented warehouses.

Emissions, t CO ₂ e	2022	2023
Scope 1	17 146,4	14 499,5
Scope 2*	17 653,3	24 762,6
Scope 3	667 153,2	700 803,4
Total:	701 952,8	740 065,4

**Calculated using the "market based method", based on actual electricity purchases. Calculated using the "location based method", based on the country-specific nature of energy production, the Scope 2 Group's emissions in 2023 would be 11,997.8 tCO₂e.*

Under the GHG Protocol, the Group discloses its biogenic CO₂ emissions separately. In 2023, "Scope 1" of these emissions amounted to 9.3 tCO₂e and "Scope 2" to 56 289.2 CO₂e. The largest share of biogenic emissions is due to the purchase of heat from renewable energy sources.

GHG EMISSION INTENSITY

The emission intensity indicator is calculated by dividing the annual GHG emissions by the units of economic activity, in this case revenue, number of employees, output (t) and milk volume (t), using the relative milk unit (milk output is converted to 4% fat and 3.3% protein corrected milk; FPCM "Fat and protein corrected milk"). It shows the amount of CO₂ emissions resulting from the Group's activities, calculated over the selected activity units. The emission intensity per tonne of milk and per tonne of production in 2023 has increased slightly due to the increased processing of milk, which accounts for 95% of the CO₂e. emissions. Other indicators are affected by a reduction in the number of employees and a decrease in turnover.

	2022	2023
t CO2e / €1 million revenue	1 970,29	2 432,39
t CO2e / 1 employee	543,73	614,16
t CO2e / 1 t of production	6,896	6,960
t CO2e / 1 t FPCM milk*	1,404	1,405

*- output is converted to 4% fat and 3.3% protein corrected milk (FPCM).

We have included Scope 1, Scope 2 and Scope 3 emissions in the calculation of GHG emissions intensity.

ENERGY

In 2023, the Group purchased 695,292.5 gigajoules (GJ) of energy in the course of its operations, a decrease of 2.1% compared to 2022. Most of the energy consumed was electricity, heat and fuel for transport. In 2023, 48% of the energy consumed came from renewable sources (excluding the share of biofuels in transport fuels). We remain committed to actively seeking ways to save energy and improve energy efficiency.

	2022	2023
GJ Thermal energy	349 003,0	355 127,1
GJ Electricity	186 573,3	180 051,8
GJ Fuel for transport	193 563,6	178 755,5

ENERGY INTENSITY

The energy intensity indicator is calculated by dividing the annual energy consumption by the selected economic activity units corresponding to the organisation's activities: turnover, number of employees, and converting the output into 4% fat and 3.3% protein corrected milk (FPCM - Fat and Protein corrected milk). We calculate the energy intensity from the last financial year.

The energy types included are fuel, electricity and heating.

	2022	2023
GJ / €1 million revenue	2 029,5	2 396,5
GJ / 1 employee	564,8	605,1
GJ / 1 t of production	7,1585	6,8573
GJ / 1 t FPCM milk*	1,4401	1,3662

	2022	2023
Revenue EUR million.	356,269	304,254
Number of employees	1 291	1 205
Output in t.	101 795	106 331
FPCM* milk content t.	499 845	526 716

* production is converted to 4% fat and 3.3% protein corrected milk (FPCM).

CONSERVATION OF WATER RESOURCES

The production of dairy products requires sanitary and hygienic conditions, which is why the Group consumes a relatively large amount of groundwater. We aim to conserve water resources as much as possible and, as far as possible, reuse treated water instead of groundwater.

The Group has its own waterworks in Rokiškis, where it extracts and treats water for internal use. 39% of the water consumed is produced from its own waterworks, while the remaining 61% is supplied by the towns' centralised water production companies. The Group's waterworks are operated in compliance with all statutory regulations and the amount of groundwater used does not pose a risk to the local ecosystem. The water point is registered and the water resources are approved.

The Lithuanian Geological Survey (LGS) keeps records and controls the resources used, and submits reports in accordance with established procedures. The extraction and proper use of groundwater resources is regulated by the Ministry of the Environment and supervised through a system of permits, reports and fees.

To conserve groundwater, we use treated water for some processes, which accounts for 7.6% of our water consumption (140 292 m³). In order to effectively manage water consumption and use efficiency, we comply with the rules of the Lithuanian Geological Survey. The water captation sites are well maintained and water consumption is accounted for. The Group has implemented a number of measures to reduce water consumption, such as high-pressure washing stations, regularly maintained and leak-proof pipelines, automated washing systems.

Our food safety, quality and environmental policy is committed to meeting customer needs, protecting the environment, conserving resources, complying with legal requirements, and continuously improving processes to ensure sustainable operations.

Water consumption	2022	2023
m³	1 632 543	1 847 063
litres	1 632 543 000	1 847 063 000
megaliths	1 632,542	1 847,063

	2022	2023
Water consumption in litres	1 627 071 000	1 847 063 000
Total production tonnes	101 795	106 331
Litres of water used per tonne of production	16 038	17 371

The Group measures water consumption in m³ according to established internal procedures.

Note: Water consumption on dairy farms is not included in the calculations. Water consumption is measured using tested measuring devices.

PRODUCT PACKAGING AND WASTE

The packaging of food products must first and foremost be safe and ensure the quality and safety of the product throughout its shelf life. Dairy products are very sensitive to environmental influences, so the functionality and design of the packaging is essential to ensure product safety. Ever-increasing consumption around the world has led to environmental problems, diminishing resources and waste accumulation.

We are aware of the public's concern about the health and environmental impact of packaging, and we aim to choose packaging producers who share this concern. When selecting packaging suppliers, we give preference to manufacturers who use the latest technologies, avoid waste and do not use harmful substances in their operations. The main types of packaging we use are plastic, wooden, cardboard, metal and composite. The environmental impact of packaging is linked to the extraction of raw materials, production and waste management, so we strive to use resources rationally by using as little packaging as possible, and we are constantly looking for modern packaging solutions. The Group accounts for and manages its packaging waste in accordance with the Law on Packaging and Packaging Waste Management. In accordance with this law, the accounting of packaging and packaging waste and the payment of taxes for environmental pollution by packaging waste are ensured. The management of packaging waste is entrusted to a licensed packaging waste management organisation in Lithuania, Žaliasis taškas.

Since the beginning of this year, Lithuania has applied differentiated rates of environmental pollution tax for recyclable and non-recyclable packaging, with non-recyclable packaging subject to a higher tax. One of the priorities is to explore new opportunities and maximise the use of recyclable packaging. However, we face another challenge: the extremely high requirements for primary packaging in contact with food.

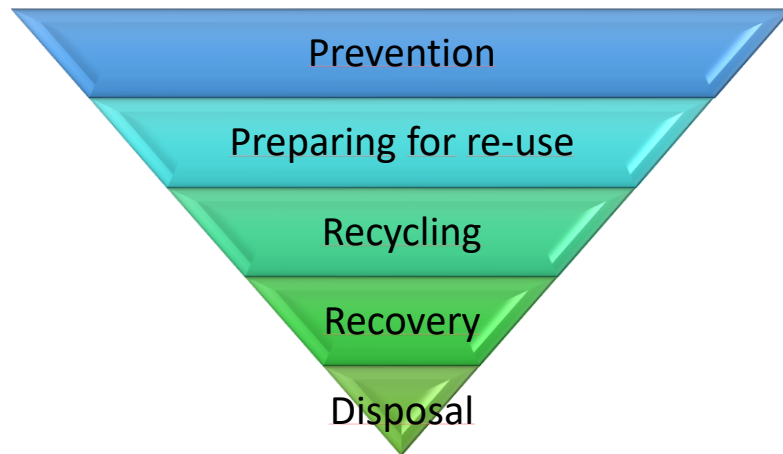
In order to use only the necessary quantities and the best solutions to ensure product quality and safety, we continue to use proven practices such as reduced weight (due to design decisions) carton packaging, flattened wrapping film and no cartons, the use of recyclable wooden and plastic pallets, reduced weight triple-layer packaging for bulk products, and the use of a single large package per pallet. The 2023 results for packaging used in the Group: 83% of packaging used is recycled, 17% is non-recycled.

We are pleased that the new product "Spreadable Cheese" is packaged in 100% recyclable packaging. Polypropylene is used to produce the packaging. If properly collected and returned, it can be recycled an unlimited number of times. The in-mould label is made of the same recyclable polypropylene. Therefore, it does not need to be separated during sorting, which makes the recycling process even easier. Each package is labelled with a special recyclable product mark. This distinguishes polypropylene from other plastics and helps the consumer to sort their waste.

The Group's sales company in the local and Baltic markets, UAB Rokiškio pienas, actively contributes to sustainability in the Baltic supply chains by using part of its recyclable plastic packaging instead of cardboard boxes.

On average, around 200 000 pieces of plastic circulation boxes are used per month. Although plastic boxes weigh more, they have a long life cycle of 5-7 years and are fully recyclable.

Waste hierarchy



The reusable plastic box system reduces waste and the use of resources needed to produce packaging, compared to disposable cartons. With an average carton weight of 150 gr., it can be estimated that the use of plastic cartons eliminates around 30 000 kg of cardboard waste per month. This reuse model is a key aspect of the circular economy, helping to reduce the environmental footprint and promote sustainable production and consumption practices. Of course, it has to be taken into account that plastic recyclable containers weigh more, require transport to the washing plant and the washing process itself leaves a CO2 footprint.

The European Waste Directive makes it clear that the priority is to 'reuse' before recycling. By implementing these sustainability strategies, Rokiškio pienas demonstrates a responsible approach to environmental protection and waste management, setting an example both in the Baltic countries and in the wider business community. Such actions not only reduce the environmental impact of production and consumption, but also help to build a sustainable future based on responsible use of resources and innovative packaging management practices.

AB Rokiškio sūris, in cooperation with an important Italian customer, has started to use reusable plastic pallets instead of wooden pallets, which were previously not returnable. Plastic pallets are used to sell 10 % of the cheese produced and save 119 000 kg of wooden pallets.

Food safety, quality and environmental policy We are committed to meeting our customers' needs, protecting the environment, conserving resources, complying with legal requirements, and continuously improving our processes to ensure sustainable operations.

INDUSTRIAL WASTE

We aim to use raw materials as efficiently as possible to save costs, protect the environment and ensure a circular economy. 91% of our production waste is used for: biomass production, composting, fertiliser or electricity generation, animal feed and other approved treatment options. All other waste generated is sorted and sent to waste managers.

All our production waste is managed in an environmentally sound way. Contracts are in place with waste handlers, waste records are kept, waste management procedures are in place in the organisation's departments, and responsible persons are appointed. Our main objective in this area is to avoid waste and to make the most efficient use of available raw materials. For example, by improving our production processes, we have achieved that 100% of whey is recycled into other products. All waste generated is accounted for in the government's electronic system, the Unified Product, Packaging and Waste Accounting Information System (GPAIS), with annual reporting. We analyse the data on waste generated, compare it with previous periods and look for ways to improve processes. The contract for the collection and management of packaging waste generated during production is concluded with the waste handlers UAB Ekonovus and UAB Ekobazė. Biodegradable waste has increased due to a change in the way dairy waste is managed.

Our food safety, quality and environmental policy is committed to meeting our customers' needs, protecting the environment, conserving resources, complying with legal requirements, and continuously improving our processes to ensure sustainable operations.

Waste type (t)	2022	2023
Biodegradable	6 111,1	8 104,3
Dangerous	22,7	15,1
Packaging waste	128,8	319,8
Other	592,1	460,5
Total:	6 854,7	8 899,7



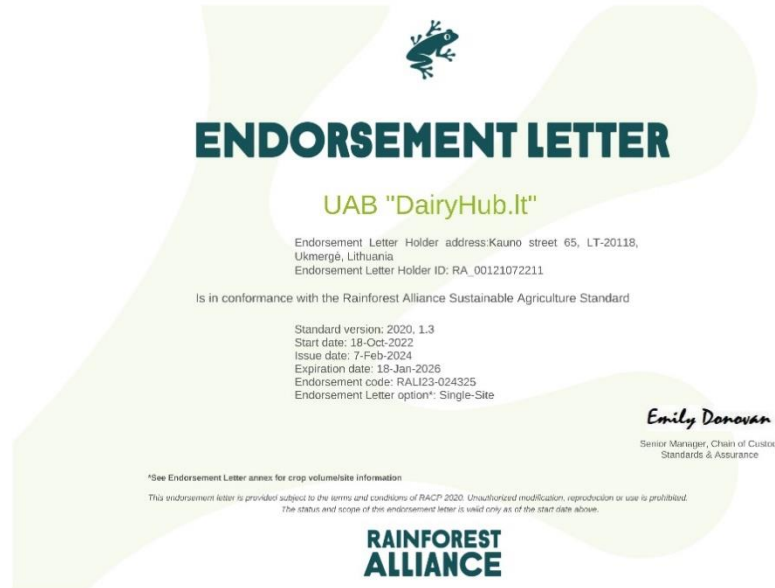
SUSTAINABILITY AND RESPONSIBILITY IN THE SUPPLY CHAIN

We assess all suppliers against social, economic and environmental sustainability criteria. We understand the risks that can arise in the supply chain, so we make responsible purchases with a focus on security of supply. 100% of new suppliers are screened against environmental and social criteria. For environmental validation, suppliers are required to provide ISO 14001 Environmental Management System certification. Social criteria are included in the contracts with suppliers, which are signed before the purchase is made. A periodic evaluation of suppliers is carried out once a year in December.

The Company publishes Supplier Guidelines.

To ensure that the needs of our customers are met and to contribute to a more sustainable world, UAB DairyHub.LT uses RSPO SG and Rainforest Alliance MB-certified glaze in the production of its glazed cottage cheeses. The company has been certified according to the requirements of RSPO (Roundtable on sustainable palm oil) Supply Chain Certification Systems version 2 since 2022-03-22.

RSPO is a global initiative to make sustainable palm oil the standard. RSPO is a non-profit organisation of palm oil producers, processors, retailers, environmental and social NGOs working to develop and implement global standards for sustainable palm oil. Palm oil is used as an ingredient in the production of glazed cottage cheese.



GRI 308-1, GRI 414-1

CIRCULAR ECONOMY

To use our resources as efficiently as possible, we follow a number of principles: using milk as rationally as possible for the production of our products, fully recycling the whey produced, and producing products with higher added value.

In 2023, our operations generated a total of 8,899.8 tonnes of waste. Waste that is not suitable for the production of products is used for biomass, composting or in bio-power plants to generate electricity. This creates a circular chain in which 91.1% of our waste is used. Although we do not carry out the biotransformation processes ourselves, the waste is passed on to other legal handlers, with whose help we ensure that the waste is properly used. For example, we work with farmers and agricultural companies who use the sludge from our wastewater treatment to fertilise their fields, and we use modern technology to recycle whey into water for sanitary use. All the hazardous and non-hazardous waste generated is handed over to specialised waste management organisations, which ensure that the waste is properly handled.

In 2023, 7,637.1 tonnes of dairy waste was converted into biogas and compost, and a further 467.2 tonnes was used as fertiliser in agriculture.

Our food safety, quality and environmental policy is committed to meeting our customers' needs, protecting the environment, conserving resources, complying with legal requirements, and continuously improving our processes to ensure sustainable operations.



15. Social area

Respect and care for people, their rights and their well-being is at the heart of the Group's culture. We will continue to create healthy and safe working conditions throughout the value chain, fostering a welcoming atmosphere for our employees to feel good, to develop their skills and knowledge.

In 2023, the average number of employees in the Rokiškio sūris Group was 1,205 (2022: 1,291) (727 men, 478 women; 763 in Rokiškis, 322 in Utena, 120 elsewhere).

Number of employees by type of contract in 2023	Part-time	Full-time	Fixed-term contract	Open-ended contract
Women	62	416	32	446
Men	10	717	56	671
Total:	72	1133	88	1117

The Group's workforce increases slightly during the summer season (only about 10%), when the volume of raw milk purchased is at its peak and production is higher.

Number of non-Group employees: 25. Type of work: safety, cleaning services, maintenance of cleaning equipment; repair, installation work; maintenance of air-conditioning systems; maintenance of electrical systems.

EQUAL OPPORTUNITIES

We apply the principles of equality, fairness and transparency to all candidates.

Our Equal Opportunities Policy emphasises zero tolerance of discriminatory behaviour on the grounds of race, sex, nationality, political or religious beliefs, health or disability. Recruitment and recruitment progress are determined solely on the basis of a person's personal qualities and criteria relevant to the job in question.

Age of employees

Age of employees	Average number of employees 1205 (%)	
	Women 478 (39,67%)	Men 727 (60,33%)
Up to 30 m.	27 (2,24%)	57 (4,73%)
30-50 m.	178 (14,77%)	299 (24,81%)
More than 50 years.	273 (22,66%)	371 (30,79%)

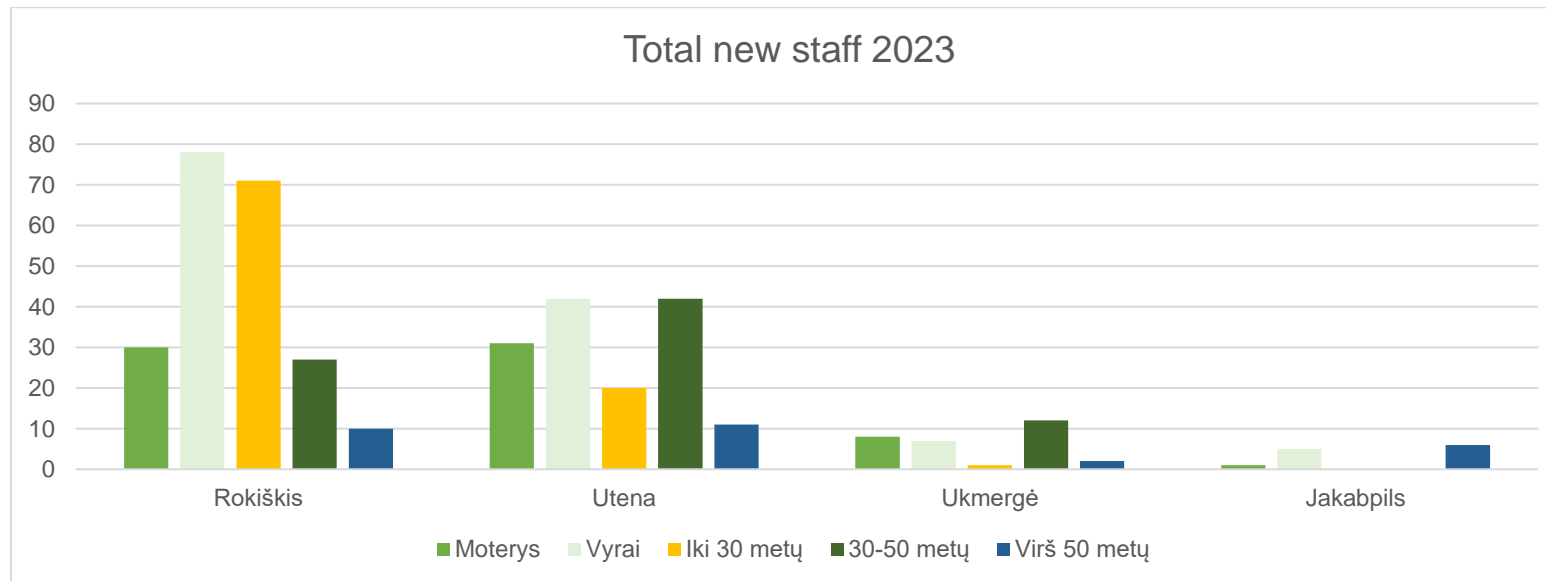
In all cases, the focus is on the ability to do the job well. Proportion of board members by diversity category:

6 Board members:
 Gender: 100% male
 Age: 0 to 30 years; 16.67% 30-50 years; 83.33% over 50 years

NEW STAFF AND STAFF TURNOVER

Age of employees	Total recruitment 202	
	Women 70 (34,65%)	Men 132 (65,35%)
Up to 30 m.	24 (34,28%)	68 (51,52%)
30-50 m.	38 (54,29%)	43 (32,57%)
More than 50 years.	8 (11,43%)	21 (15,91%)

Staff turnover (number and share) by age, sex and location during the reference period.



WAGES AND THEIR DISTRIBUTION

Employees are the Group's most important asset and we want them to feel valued and motivated. Remuneration arrangements are governed by the Group's Remuneration Policy, which covers all forms of remuneration, including fixed remuneration, performance-related benefits, pension modules and severance payments. The Remuneration Policy is approved by the General Meeting of Shareholders.

Salary ratio 2023

Company	Ratio of the highest earner's salary to the median annual salary of all employees
AB "Rokiškio sūris"	1:0,37 (2022: 1:0,38)
UAB "Rokiškio pienas"	1:0,56 (2022: 1:0,54)
UAB "Rokiškio pieno gamyba"	1:0,36 (2022: 1:0,35)

Company	Ratio between median salaries for men and women
AB "Rokiškio sūris"	1:0,86 (2022: 1:0,86)
UAB "Rokiškio pienas"	1:0,70 (2022: 1:0,75)
UAB "Rokiškio pieno gamyba"	1:0,94 (2022: 1:0,99)

The Group's remuneration system is based on the principle of gender equality: equal pay for equal work. Over 2023, salaries for employees have increased by around 15%.

ADDITIONAL FINANCIAL INCENTIVES FOR STAFF

In the Collective Agreement signed in December 2023, the Group defined additional financial incentives for employees. The purpose of this collective agreement is to create conditions for harmonious collective activity, to guarantee a level of work, remuneration, safety and health and other working conditions for various categories of employees that is better than that provided for by the laws, governmental decrees and regulations of the Republic of Lithuania. The Group aims to provide the best possible employment and social guarantees for the Company's employees.

The following additional financial incentives are available to Group employees:

a worker with a disabled child receives a material allowance of 1 MMA once a year;

employees receive a funeral allowance in the event of the death of a family member (spouse, parent, child); in the event of the death of a Group employee, a one-off funeral allowance is granted to the family;

on work anniversaries (20, 25, 30, 35, 40, 45, 50), an additional allowance is paid to Group staff;

support for workers with serious and prolonged illnesses and injuries;

Employees, family members of employees, employees who have worked for the Group and retired employees are entitled to a discount on treatment at the Group's preventive health centre;

unpaid leave provided for in the LC for the marriage of an employee, or for the attendance of an employee at the funeral of a deceased family member, is paid in accordance with the general procedure for granting leave. Leave shall also be granted to employees for the marriage of their children.

A gift is given when the staff member's child starts primary school, i.e. the first year of school;

a material allowance for the birth of a child;

a material allowance is granted to an employee on the occasion of a marriage.

In 2023, 307 employees of the Group benefited from the social guarantees of the collective agreement (2022: 258).

HUMAN RIGHTS

The Group is fully aware of its responsibility to its customers, employees, partners, the environment and society and therefore adheres to the principles of human rights protection and respects and promotes international human rights protection in its operations.

The Group has no adverse human rights impacts in its chain of activities. The Group's human rights position is enshrined in the Human Rights Policy and is communicated to every employee of the Group.

The Human Rights Policy also contains principles on zero tolerance of forced labour of children and others, based on international law. Any breach or suspected breach of the Policy shall be reported to the Head or may be communicated confidentially through the channels specified in the Policy. The Company undertakes not to disclose the identity of the person making the report. Reports received shall be dealt with in accordance with the procedures adopted by the Group.

Employees can express their views and make suggestions anonymously or by contacting their head of department or the company director directly.

From 2018. The Group has an elected 11-member Working Council (last re-elected on 26 May 2021). The Council is set up for a term of three years, starting from the beginning of its mandate. Employees of Group companies are guaranteed the right to participate in trade union activities. The companies have a trade union committee which defends the labour, economic and social rights and interests of its members, defends the right to employment and social security of its members, promotes the development of professional qualifications, develops professional ethics, and seeks to increase the wages and other incomes of workers in the food industry.

NON-DISCRIMINATION

We are pleased that there were no cases of discrimination against employees in 2023. This confirms that the Group's policies and instruments are effective and that the work ethics of employees and management are in line with the Group's non-discrimination principles.

The Equal Opportunities Legal Policy adopted by the Board is drawn up in accordance with the laws in force in the Republic of Lithuania and the most important international human rights principles. The policy emphasises intolerance of discriminatory treatment on the grounds of race, sex, nationality, political or religious beliefs, health or disability.

WORKING CONDITIONS AND EMPLOYEE WELFARE

It is essential that the Group's employees feel safe in their working environment - this is a priority for the Group. We continuously review our work processes and implement various preventive measures to avoid factors that could adversely affect the health and safety of our employees.

OCCUPATIONAL HEALTH AND SAFETY

All workers, including new employees, must comply with the established safety requirements in the workplace and regularly update their knowledge. The Group's occupational health and safety management system is implemented in accordance with the Occupational Safety and Health Law of the Republic of Lithuania and the standards applied in the Group's companies:

- the social responsibility standard SA 8000:2014 (implemented only in UAB Rokiškio pieno gamyba);
- International Food Safety Standard (IFS) Food Version 8 (Group-wide);
- ISO 14001:2015 environmental standard (Group-wide).

The occupational safety and health management system applies to all activities.

ACCIDENTS AT WORK

In 2023, there were 5 mild and 1 serious accident in the Group's companies (serious accident in AB Rokiškio sūris, the injured employee had a sick leave of 44 working days, after which he returned to work; the conclusion of the VDI assessment was a fall due to other causes). The workers sustained mild injuries - muscle contusions, ligament sprains - in minor accidents and recovered quickly.

To prevent similar accidents in the future, we have provided additional on-the-job training. Accidents at work are recorded in the "Accident Logbook". The risk assessment of potential injuries or damage to health in hazardous situations is carried out in accordance with the Regulations on Occupational Risk Assessment, approved by Order of the Minister of Social Security and Labour of the Republic of Lithuania (LR).

In accordance with the Occupational Safety and Health Act of the Republic of Lithuania, in order to ensure the safe work of contractors, the company has adopted requirements for contractors carrying out work in the company's territory, production and other premises. These requirements are communicated to the contractors' responsible persons by the Group's corporate coordinator who supervises the work carried out by the contractors. Occupational health and safety training is also provided to department managers.

Employees have access to the company's on-site preventive health clinic. Employees are given priority for treatment at this facility and discounts on treatment tickets.

With a doctor's referral, staff can have one type of procedure free of charge once a year, e.g. procedures related to mobility problems. Staff can also register for a psychological consultation.

ADDITIONAL BENEFITS

Employees have access to the Group's preventive therapy and psychological counselling. Further information can be found in the Collective Agreement, which defines the additional benefits for each employee beyond those provided for by the laws of the Republic of Lithuania, government decrees and other legal acts.

DEVELOPING COMPETENCES

Staff development and improvement of special and general skills is one of the company's top priorities, as only educated employees with the right knowledge and experience can create a quality product and service. Training plans are drawn up annually, taking into account the Company's strategic objectives and the adequacy of the staff's competences to meet these objectives. The Group's employees are provided with opportunities to enhance their knowledge and improve their skills at various training courses, seminars and conferences, and the Company supports the acquisition of professional education at national universities, colleges or other qualifying educational institutions. A strong emphasis is placed on learning foreign languages.

The company continuously trains its employees internally, taking into account the nature of the work and the requirements of the workplace and product quality. In 2023, employees participated in both internal and external training, which has increased in particular due to the possibility of remote access.

AB Rokiškio sūris also organises special courses and training for farmers in the country in order to ensure that they successfully take care of the health of their cow herds, properly maintain milking, cooling and storage equipment, and modernise the dairy farm. A modern dairy farm, milk quality and herd health are key to the success of a dairy business.

The Human Resources Plan 2024 reflects a commitment to ensure that the company's strategy and objectives are consistently delivered through its people, who are not only the tools to achieve the objective, but also key partners and ambassadors who enhance the company's reputation in the public arena. In today's business environment, where demands and challenges are changing rapidly, a company's success depends on its ability to attract, retain and develop the highest calibre professionals. Human resources are becoming a decisive factor in the competitive marketplace and a structured approach to this area is needed.

GRI 2-17; GRI 2-30; GRI 416-1; GRI 416-2

PRODUCT SAFETY AND QUALITY

Product safety and quality are our top priority. The Group's senior management has developed, implements and maintains a Food Safety, Quality and Environmental Policy, last updated on 14 January 2022 (available at www.rokiskio.com).

In 2023, all (100%) of our products have been assessed for health and safety impacts.

The Group has a process in place to identify key customer requirements and needs and uses the information gathered to continuously improve performance. During the reporting period, the Group received 26 complaints about product safety and quality (6 in Rokiškis, 17 in Utena and 3 in Ukmergė). There were no cases of non-compliance with the law or internal policies.

The Group has a system in place for managing complaints and written reports received from competent authorities, including the actions that the Group would take in the event of non-compliance or non-compliance with rules. The results of the analysis of complaints shall be made available to those responsible for the relevant area and to senior management. In-house staff are trained to carry out inspections of the food safety and quality system. From time to time, audits are carried out by Food Safety System Certification audit companies and by major buyers of our products.

The State Inspection Authority (State Food and Veterinary Service) carried out checks on compliance with the law. No deficiencies were found during the 2023 inspections.

The Group's food safety and quality systems are audited by independent audit companies assessing compliance with food safety standards (according to the IFS), and internal audits are carried out. The Group's companies have the highest IFS scores.

SUPPORT FOR LOCAL COMMUNITIES

The Group aims to maintain its status as a trusted social partner by contributing to solving pressing social problems in our society and by supporting various institutions, organisations and their projects and initiatives. We support various cultural events and the local community, sports development projects and help improve the living environment of socially vulnerable groups.

The group is the most active and maintains close relations with the communities where it operates - in Rokiškis, Utena, Ukmergė. Traditionally, we have been supporting the following events in Rokiškis for many years in a row: the Lithuanian Professional Theatre Festival "Vaidiname žemdirbiams", the International Amateur Theatre Festival "Interrampa", the Rokiškis Classical Music Festival, and many other cultural and sports events. We often support local community events and initiatives with our products.

We also work with local farmers to help them build modern, cost-effective and sustainable farms. We follow the Lithuanian Government's policy to implement sustainability principles, strategies and recommendations in agriculture, and to create competitive dairy farms in the global market. To improve the competitiveness of dairy farms, we first help farmers to develop the right approach to sustainable development: to ensure good quality of raw milk, to minimise waste, and to use the least possible resources.

Potential negative impacts (e.g. noise and odour) at the Rokiškis and Utena plants are managed in accordance with Directive 2010/75/EC of the European Parliament and of the Council on the prevention and control of industrial emissions (integrated pollution prevention and control; IPPC). Rokiskio sūris AB and Rokiskio pieno gamyba UAB are classified as installations for which an IPPC permit is required. All AB Rokiskio sūris Group have implemented Best Available Techniques (BAT; BREF), resource consumption and emission levels are in line with those achieved in the European Union (according to the "IPPC Reference Document on the Best Available Techniques in the Food, Drink and Milk Industries").

IMPACT OF THE WAR IN UKRAINE

In the opinion of the Group's management, the war against Ukraine caused by Russia does not have a material direct or indirect impact on the Group's operations, financial position, results of operations, markets or supply chains.

For its part, the company supports initiatives to support Ukraine and has donated various products worth €10,822.80 in 2023. The donation was made through the Saulės smiltys Charity and Support Foundation.

Since the outbreak of the war, the company has been using its guesthouse facilities to accommodate Ukrainian refugee families.

16. Economic area

INNOVATION

Our sustainability depends to a large extent on the use of modern technologies. We can only achieve some of our sustainability goals, such as reducing CO₂ emissions, using resources more efficiently, creating better working conditions and increasing operational productivity, through innovation. Therefore, our investment in innovative solutions in our operations and supply chain can have a significant positive impact. Where manual work is replaced by robotic systems, we avoid negative impacts on workers by enabling them to change qualifications, job roles, learn new skills and use their abilities.

Each innovative project is evaluated for its effectiveness and impact on the Group's sustainability. The implementation of innovative technologies covers a wide range of areas that are essential for the company's development, for the penetration of new markets with improved product quality, for the improvement of existing production processes, for the protection of the environment, for the improvement of people's working and leisure conditions, and for the saving of energy resources.

The company's main cooperation in this area is with its strategic investor, Fonterra, which gives it the opportunity to learn from experience and best practice.

RESPONSIBLE INVESTMENT

The Group invests heavily to meet its strategic objectives. The value of investments made by the Group during the financial year 2023 amounted to EUR 10.504 million (2022: EUR 13.818 million). In order for these investments to provide a long-term financial return and thus contribute to our sustainability, we need to take environmental, social and economic criteria (impact) into account when making investment decisions.

REGULATORY COMPLIANCE AND TAX

Compliance with all legal requirements applicable to the dairy industry and the fair payment of taxes are essential for the sustainability of our operations. Our commitment to compliance, fair and ethical business practices is enshrined in our internal policies (Food Safety, Quality and Environment, Remuneration, Anti-Corruption Policy, Code of Ethics). Processes are in place to monitor, disseminate and evaluate legislation. There were no significant cases of non-compliance with laws and regulations during the reporting period.

The Group's tax strategy is to correctly calculate, fairly declare and pay all taxes due in accordance with the laws in force in the Republic of Lithuania. The Chief Financial Officer of the Company takes responsibility for monitoring and controlling the fair payment of taxes. Compliance with the legal framework is ensured by an independent audit of the financial statements. The annual accounts are audited and reported on by an independent international auditor elected by the General Meeting of Shareholders. The Group's separate and consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union.

GRI 2-27; GRI207-1

BUSINESS ETHICS AND ANTI-CORRUPTION

The Group does not tolerate corruption in any form. The Group has an Anti-Corruption Policy which clearly and publicly declares its negative attitude towards bribery and corruption. The provisions of this policy apply to all employees, agents, intermediaries, suppliers and subcontractors of the Group, with the aim of preventing it in all its activities. We support the UN Global Compact and adhere to the principle of fighting corruption and bribery.

The Group's shareholder structure is not linked to the government. Financial support received from the government in 2023:

Under the De Minimis programme, the Group benefited from €49,078.01 in 2023 (2022: €35,435).

AB Rokiškio sūris receives a real estate tax credit of EUR 17 350 in 2023 (2022: EUR 6 390).

During the annual audit, the potential risk of conflicts of interest is assessed and the auditor expresses his/her opinion by stating that "During the reporting period, there were no damaging transactions that were inconsistent with the Company's objectives and normal market conditions, that violated the interests of shareholders or other groups of persons, and that have had, or may have in the future, a negative impact on the Company's operations or performance. Nor have there been any transactions resulting from conflicts of interest between the duties of the Company's directors, controlling shareholders or other related parties to the Company and their private interests and/or duties".

The annual audited consolidated financial statements and the consolidated annual report are available to all interested parties.

GRI 201-4, GRI 2-15 Nasdaq G-7

DATA PRIVACY

The Group complies with the Personal Data Protection Policy, which sets out the requirements for the processing and protection of personal data, the purposes, principles, grounds, rules, procedures, rights of data subjects and the procedures for their exercise, technical and organisational measures for data protection.

The Group's processing of personal data is guided by the following fundamental principles:

integrity;

legality and transparency;

limiting the purpose;

data reduction;

limiting the duration of storage;

integrity and confidentiality.

In order to implement the above data protection processing principles, the Group ensures that data is collected and processed fairly and lawfully. All reasonable steps are taken to ensure that personal data is kept up to date, accurate and retained only for the period of time specified. Depending on the category to which the data subject belongs, the data collected shall only be used on a fair and lawful basis:

The policy is communicated to employees and/or published on the Group's website www.rokiskio.com, giving them the opportunity to consult it and to raise concerns about violations or suspected violations of working conditions or rights directly with the union, the HR department, anonymously by email, by telephone, and through suggestion boxes within the Group. During the reporting period, there were no complaints about breaches of personal data privacy or loss of personal data.

17. Disclosure in accordance with the EU Taxonomy Regulation

The EU Taxonomy Regulation is a piece of legislation that establishes a framework for classifying sustainable economic activities and common terms to describe activities that contribute to the achievement of environmental sustainability objectives. The EU Taxonomy Regulation (EU) 2020/852 defines the criteria for determining whether an economic activity qualifies as environmentally sustainable in order to assess the degree of environmental sustainability of an investment.

For the purposes of this Regulation, the following shall be considered environmental objectives:

- climate change mitigation
- adaptation to climate change
- sustainable use and protection of water and marine resources
- moving towards a circular economy
- pollution prevention and control
- protecting and restoring biodiversity and ecosystems

Article 3 of the Regulation sets out the criteria for environmentally sustainable economic activities, according to which an economic activity is considered environmentally sustainable when:

- those economic activities in accordance with Articles 10 to 16 contribute significantly to one or more of the environmental objectives set out in Article 9;
- the economic activity does not significantly harm any of the environmental objectives set out in Article 9 in accordance with Article 17;
- that economic activity is carried out in compliance with the minimum safeguards laid down in Article 18; and
- that economic activity meets the technical analysis criteria established by the Commission pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2).

Pursuant to EC Delegated Regulation (EU) 2021/2178 of 6 July 2021, AB Rokiškio sūris, as a non-financial undertaking, is obliged to disclose its key performance indicators (KPIs) - the percentage of turnover, capital and operating expenses that are accounted for by its taxonomic activities.

Taxonomy-eligible economic activities are defined as activities described in EC delegated acts, regardless of whether they meet any or all of the technical analysis criteria set out in the delegated act on the EU taxonomy for climate objectives. Therefore, the fact that an economic activity is taxonomic does not automatically imply that it is environmentally efficient and sustainable. Taxonomic activities are grouped according to the groups of activities defined in Article 16 and Article 10(2) of the Taxonomy Regulation, which are the conditions that make up the economic activities and the transition economic activities.

Transitional activity - an activity that does not yet have low-carbon alternatives and whose greenhouse gas emissions are consistent with the best performance in the sector or industry concerned. The activity meets the following two conditions: (a) the activity does not impede the development and deployment of low-carbon alternatives and (b) it does not create a carbon intensity constraint on the assets in relation to the economic lifetime of those assets.

Enabling economic activity (Enabling activity) - an activity that directly enables a significant contribution to environmental objectives.

Taxonomy-aligned - defined as an activity that makes a significant contribution to one or more of the environmental objectives set out in the delegated act, without significant harm to any of them, and is carried out in compliance with the minimum safeguards set out, and meets the technical analysis criteria set out.

Taxonomy-non-aligned economic activities - defined as activities that are not included and described in the EC delegated acts on EU taxonomy.

AB Rokiškio sūris has assessed the activities carried out at the Group level in accordance with the descriptions of the taxonomic activities provided in the ESC Taxonomy Regulations, the taxonomic activities identified are presented in the table below.

Code	Taxonomic activities	Code	Taxonomic activities
KKŠ 4.1. PKK 4.1. ŽE 1.2.	Generating electricity using photovoltaic solar technology	KKŠ 5.5. PKK 5.5. ŽE 2.3.	Collection and transport of non-hazardous waste separated on site *
KKŠ 4.16. PKK 4.16. ŽE 1.2.	Installation and operation of electric heat pumps	KKŠ 6.5. PKK 6.5.	Collection and transport of non-hazardous waste separated on site *
KKŠ 4.25. PKK 4.25	Production of heat or cooling using waste heat *	KKŠ 6.5. PKK 6.5.	Carriage by motorcycles, passenger cars and light commercial vehicles
KKŠ 5.1 PKK 5.1. VND 2.1.	Construction, extension and operation of water collection, treatment and supply systems *	KKŠ 7.3. PKK 7.3.	Road freight transport services
KKŠ 5.2. PKK 5.2 VND 2.1	Upgrading water collection, treatment and supply systems *	KKŠ 7.7. PKK 7.7 ŽE 3.1.	Installation, maintenance and repair of energy efficiency equipment
KKŠ 5.3. PKK 5.3. TPK 2.1.	Construction, extension and operation of wastewater collection and treatment systems	KKŠ 8.1. PKK 8.1.	Acquisition and ownership of buildings
KKŠ 5.4. PKK 5.4. TPK 2.1.	Upgrading wastewater collection and treatment systems		

NOTE: * We have not been able to estimate these activities for 2023 due to the lack of an adapted accounting system and high administrative costs, but we are committed to do so next year.

AB Rokiškio sūris, by assessing its activities in accordance with the provisions of the EU Taxonomy Regulation, has identified the environmental impact of its activities, which aspects of sustainability are already integrated and where there is room for improvement. The regulation can also help identify investment opportunities that are not only profitable but also contribute to the company's sustainability objectives and overall environmental well-being.

Once the taxonomic activities have been identified, the technical analysis criteria for these activities have been analysed and an assessment has been made as to whether the Group-wide processes comply with them. Compliance was also assessed through a minimum safeguards review, i.e. a review not only of the technical analysis criteria, but also of whether the activities violate the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. If, after taking all these aspects into account, the taxonomic activity did not meet any of the criteria for significant contribution or significant absence of harm, it was recognised as a taxonomic activity, but did not meet the criteria.

Accounting policy. In accordance with the provisions of the EU Commission Delegated Regulation (EU) 2021/2178, the disclosure of the accounting policy must explain how the KPIs (turnover, capital expenditure and operating expenditure) have been determined and attributed to the numerator of the indicator, and the basis on which KPIs were calculated. Although the obligation to provide the information already existed in 2022, given that we do not have sufficiently precise information on the compliance of the activities carried out in the previous reporting period with the technical analysis criteria and that the existing accounting systems are not adapted to the calculation of the KPIs, this would be an excessive administrative burden. In view of this, the information provided for the comparative year 2022 is not complete.

The reported KPIs for the activities carried out have been calculated on the basis of the methodology set out in Annex I "KPIs of non-financial corporations" of the EU Commission's Delegated Regulation (EU) 2021/2178 and the interpretation of the Communications and Q&A documents published by the EU Commission. Given that these interpretations are not exhaustive, internal assumptions have been made in attributing operating expenses to certain taxonomic activities and the calculation of the operating expenses presented in the financial statements does not correspond to the calculation of the expenses attributed to the operating expense indicator under the Taxonomy Regulation. It should be noted that the Group's 2023 disclosed operating expense ratio totalled EUR 262.49 million and the total operating expense ratio calculated in accordance with the Taxonomy Regulation is EUR 6.31 million. The difference is due to the fact that the operating expenses indicator under the Taxonomy Regulation only includes necessary repairs and maintenance, short-term rentals and IT maintenance costs and excludes wages and other costs. Please also note that although activities under EU Delegated Regulation (EU) 2023/2486 have been considered and identified/listed, compliance with the technical analysis criteria and KPIs have not been calculated as there is a transition period and mandatory disclosures will only be made from 2024. The basic principles for the calculation of the KPIs have not changed. KPIs for taxonomic/qualifying activities are calculated by linking each indicator to a specific taxonomic/qualifying activity and dividing it by the Group's total KPI. The turnover and capital expenditure KPIs are directly linked to the indicators used in the Group's annual accounts, while the operating expenditure KPIs have been calculated in accordance with the methodology set out in Annex I of the EU Commission Delegated Regulation (EU) 2021/2178, i.e. including only default costs.

Double counting. In order to avoid double counting in the accounting system, each activity is distinguished and only the amounts attributed to it are used for the calculation of the KPIs. Intra-group transactions have not been included. If a taxonomic activity contributes to more than one environmental objective, then an assessment was made as to which environmental objective has the greatest impact, and the costs incurred were attributed accordingly to the selected environmental objective.

Calculation of the turnover rate. Taking into account that the Group's main activity was still not defined as a taxonomic activity, only a very marginal part of the revenue related to the generation of electricity using solar photovoltaic technology was identified as a taxonomic, qualifying activity and accounted for 0.004% of the Group's total revenue in the reporting period (also 0.004% for 2022). Road freight transport services were classified as a taxonomic, non-qualifying activity and accounted for 0.185% of the Group's total revenue in the reporting period (compared to 0.163% in 2022).

Calculation of the capital expenditure ratio. In accordance with Delegated Regulation (EU) 2021/2178, the calculation of the capital expenditure ratio for taxonomic activities includes the amounts of additions to tangible and intangible assets before depreciation, amortisation and any remeasurement, and excludes changes in fair value. The performance indicator relating to capital expenditure was calculated in accordance with the provisions of point 1.1.2 of Annex I to the above-mentioned Delegated Regulation. In 2023, the capital expenditure for environmentally sustainable taxonomic activities (eligible) was for two activities: Renewal of wastewater collection and treatment systems - 2.53% (2022: 0.00%. Explanation: we did not exclude the expenditure as the lack of an adapted metering system would make it too complex to do so) and Installation, maintenance and repair of energy efficiency equipment - 0.11% (2022: 1.97%). The activities that do not meet the taxonomic criteria, i.e. transport by motorcycles, passenger cars and light commercial vehicles, accounted for 4.42% (2.54% in 2022) and Road Freight Transport Services accounted for 12.44% (18.06% in 2022).

Calculation of the operating expenditure indicator. In accordance with Delegated Regulation (EU) 2021/2178, the operating cost indicator for taxonomic activities is calculated as the ratio of the share related to the assets and processes associated with the taxonomic activities to the total operating costs calculated in accordance with the Taxonomy Regulation. In accordance with the provisions of point 1.1.3 of Annex I of the EU Commission Delegated Regulation, the denominator of operating costs shall include only direct non-capitalised costs relating to research and development, building renovation measures, short-term rentals, maintenance and repairs, and all other direct costs which are related to the day-to-day maintenance of property, plant and equipment by the enterprise or a third party hired for that purpose and which are necessary to ensure the continuous and efficient use of such assets. Consequently, for the purpose of calculating the operating expenses ratio in accordance with the provisions of Delegated Regulation (EU) 2021/2178, its denominator does not include all operating expenses recognised in the Group's financial accounts. In 2023, the operating expenses of environmentally sustainable (qualifying) activities represented 9.66% of the total operating expenses calculated in accordance with the requirements of EU Delegated Regulation (EU) 2021/2178 (2022: 10.63%). The turnover of taxonomic activities that do not meet the criteria amounted to 0.9% (2022: 1.1%). As the accounting system did not have clear taxonomic criteria (specific markers) to distinguish between the direct non-capitalised necessary costs for the individual taxonomic activities in 2022 and 2023, we were not able to disclose all potentially eligible operating costs and compare them with the previous reporting period. We have planned to adapt the accounting system we use in 2024 and we expect that in the future we will be able to include all related operating expenses for all taxonomic activities, both qualifying and non-qualifying.

The percentage of turnover derived from products or services related to a qualifying taxonomic economic activity. Disclosures for the year 2023

2023	Year			Criteria for significant contribution						Criteria for no significant harm ^(b)						Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini activities (A.2.) meeting the criteria, N - 1 year (18)	Category (enabling activities) (19)	Category (transition activities) (20)
	Economic activities (1)	Code ^(a) (2)	Turnover (3)	Percentage of turnover, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)				
Text		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	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Generating electricity using photovoltaic solar technology	CCM 4.1. CCA4.1. CE 1.2.	12,317	0.004%	Y	Y	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0.004%	E	
Installation and operation of electric heat pumps	CCM 4.16. CCA 4.16. CE 1.2.	0	0	Y	Y	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	%	E	
Construction, extension and operation of wastewater collection and treatment systems	CCM 5.3. CCA 5.3. PPC 2.1.	0	0	Y	Y	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	%		T
Upgrading wastewater collection and treatment systems	CCM 5.4. CCA 5.4. PPC 2.1.	0	0	Y	Y	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	%		T
Installation, maintenance and repair of energy efficiency equipment	CCM7.3. CCA 7.3.	0	0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	%		T
Turnover of environmentally sustainable activities (qualifying taxonomic activities) (A.1)		12,317	0.004%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	0.004%		
2023																			
Year																			
Criteria for significant contribution																			
Criteria for no significant harm ^(b)																			
Economic activities (1)	Code ^(a)(2)	Turnover (3)	Percentage of turnover, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)	Biodiversity (16)	Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini	Category (enabling activities) (19)	Category (transition activities) (20)



																				activities (A.2.) meeting the criteria, N - 1 year (18)		
Of which enabling		12,317	0.004%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0.004%	E	T
Of which transitional			%	%							Y	Y	Y	Y	Y	Y	Y	Y	%		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) ⁽⁹⁾																						
				EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL													
Carriage by motorcycles, passenger cars and light commercial vehicles	CCM 6.5. CCA 6.5.	0	0	EL	EL	N/EL	N/EL	N/EL	N/EL												T	%
Road freight transport services	CCM 6.5. CCA 6.5.	564,195	0.185%	EL	EL	N/EL	N/EL	N/EL	N/EL												T	0.163%
Acquisition and ownership of buildings	CCM 7.7. CCA 7.7.	0	0	EL	EL	N/EL	N/EL	EL	N/EL												T	%
Turnover of taxonomic but environmentally unsustainable activities (taxonomic activities not meeting the criteria) (A.2)		564,195	0.185%	%	%	%	%	%	%												T	0.163%
2023	Year			Criteria for significant contribution						Criteria for no significant harm ⁽¹⁾												
Economic activities (1)	Code ⁽²⁾	Turnover (3)	Percentage of turnover, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)	Biodiversity (16)	Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini activities (A.2.) meeting the criteria, N - 1 year (18)	Category (enabling activities) (19)	Category (transition activities) (20)			
A. Turnover of Taxonomy- eligible activities (A.1+A.2)		576,512	0.189%	%	%	%	%	%	%								0.169%					
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Turnover of Taxonomy- non- eligible activities		303,677,488	99.811%																			
TOTAL		304,254,000	100.000%																			

The percentage of capital expenditure that is earned on products or services related to a qualifying taxonomic economic activity. Disclosures for 2023

2023		Year			Criteria for significant contribution						Criteria for no significant harm ⁽¹⁾									
Economic activities (1)	Code ⁽²⁾	Capital expenditure (3)	Percentage of capital expenditure, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)	Biodiversity (16)	Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini activities (A.2.) meeting the criteria, N - 1 year (18)	Category (enabling activities) (19)	Category (transition activities) (20)	

																	activities (A.2.) meeting the criteria, N - 1 year (18)	E	T
Tekstas		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	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Generating electricity using photovoltaic solar technology	CCM 4.1. CCA4.1. CE 1.2.	0	0	Y	Y	N/EL	N/EL	Y	N/EL	T	T	T	T	T	T	T	%	E	
Installation and operation of electric heat pumps	CCM 4.16. CCA 4.16. CE 1.2.	0	0	Y	Y	N/EL	N/EL	Y	N/EL	T	T	T	T	T	T	T	%	E	
Construction, extension and operation of wastewater collection and treatment systems	CCM 5.3. CCA 5.3. PPC 2.1.	0	0	Y	Y	N/EL	Y	N/EL	N/EL	T	T	T	T	T	T	T	%		T
Upgrading wastewater collection and treatment systems	CCM 5.4. CCA 5.4. PPC 2.1.	265,600	2.529%	Y	Y	N/EL	Y	N/EL	N/EL	T	T	T	T	T	T	T	%		T
Installation, maintenance and repair of energy efficiency equipment	CCM7.3. CCA 7.3.	12,016	0.114%	Y	Y	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	1.965%		T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		277,616	2.643%	%	%	%	%	%	%	T	T	T	T	T	T	T	1.965%		
2023	Year			Criteria for significant contribution						Criteria for no significant harm ⁽¹⁾									
Economic activities (1)	Code ⁽²⁾	Capital expenditure (3)	Percentage of capital expenditure, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)	Biodiversity (16)	Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini activities (A.2.) meeting the criteria, N - 1 year (18)	Category (enabling activities) (19)	Category (transition activities) (20)
Of which enabling		0	0.00%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	0.00%	E	

Of which transi-	277,616	0.114%	%							Y	Y	Y	Y	Y	Y	Y	1.965%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) ⁽⁹⁾																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Carriage by motorcycles, passenger cars and light commercial vehicles	CCM 6.5. CCA 6.5.	464,110	4.418%	EL	EL	N/EL	N/EL	N/EL	N/EL									T	2.540%
Road freight transport services	CCM 6.5. CCA 6.5.	1,306,654	12.440%	EL	EL	N/EL	N/EL	N/EL	N/EL									T	18.060%
Acquisition and ownership of buildings	CCM 7.7. CCA 7.7.	0	0	EL	EL	N/EL	N/EL	EL	N/EL									T	%
CapEx of Taxonomy-eligible but not environmentally sustainable activities (A.2)		1,770,764	16.858%	%	%	%	%	%	%								%	T	20.600%
2023	Year			Criteria for significant contribution						Criteria for no significant harm ⁽¹⁾									
Economic activities (1)	Code ⁽²⁾	Capital expenditure (3)	Percentage of capital expenditure, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)	Biodiversity (16)	Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini activities (A.2.) meeting the criteria, N - 1 year (18)	Category (enabling activities) (19)	Category (transition activities) (20)
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		2,048,380	19.501	%	%	%	%	%	%								22.565%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		8,455,620	80.499																
TOTAL		10,504,000	100.000																

The percentage of operating expenditure that is earned on products or services related to a qualifying taxonomic economic activity. Disclosures for the year 2023

2023	Year			Criteria for significant contribution						Criteria for no significant harm ⁽¹⁾									
Economic activities (1)	Code ⁽²⁾	Capital expenditure (3)	Percentage of capital expenditure, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)	Biodiversity (16)	Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini activities (A.2.) meeting	Category (enabling activities) (19)	Category (transition activities) (20)

																	the criteria, N - 1 year (18)	E	T
Tekstas		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	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Generating electricity using photovoltaic solar technology	CCM 4.1. CCA4.1. CE 1.2.	0	0	Y	Y	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	%	E	
Installation and operation of electric heat pumps	CCM 4.16. CCA 4.16. CE 1.2.	7,036	0.111%	Y	Y	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0.054%	E	
Construction, extension and operation of wastewater collection and treatment systems	CCM 5.3. CCA 5.3. PPC 2.1.	587,520	9.306%	Y	Y	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	10.500%		T
Upgrading wastewater collection and treatment systems	CCM 5.4. CCA 5.4. PPC 2.1.	0	0	Y	Y	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	%		T
Installation, maintenance and repair of energy efficiency equipment	CCM7.3. CCA 7.3.	15,464	0.245%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.080%		T
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		610,020	9.663%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	10.634%		
2023	Year	Criteria for significant contribution								Criteria for no significant harm ⁽¹⁾									
Economic activities (1)	Code ⁽²⁾	Operating costs (3)	Percentage of operating expenditure, year N (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Tarsha (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Tarsha (14)	Circular economy (15)	Biodiversity (16)	Minimum protection measures (17)	Percentage of turnover of taxonomic activities (A.1.) or taxon-mini activities (A.2.) meeting the criteria, N - 1 year (18)	Category (enabling activities) (19)	Category (transition activities) (20)
Of which enabling		7,036	0.111%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	0.054%	E	
Of which transitional		602,984	9.551%	%						Y	Y	Y	Y	Y	Y	Y	10.580%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) ⁽²⁾																			
				<i>EL; N/EL</i>	<i>EL; N/EL</i>	<i>EL; N/EL</i>	<i>EL; N/EL</i>	<i>EL; N/EL</i>	<i>EL; N/EL</i>										
Carriage by motorcycles, passenger cars and light	CCM 6.5. CCA 6.5.	10,290	0.163%	<i>EL</i>	<i>EL</i>	<i>N/EL</i>	<i>N/EL</i>	<i>N/EL</i>	<i>N/EL</i>							T	0.320%		

