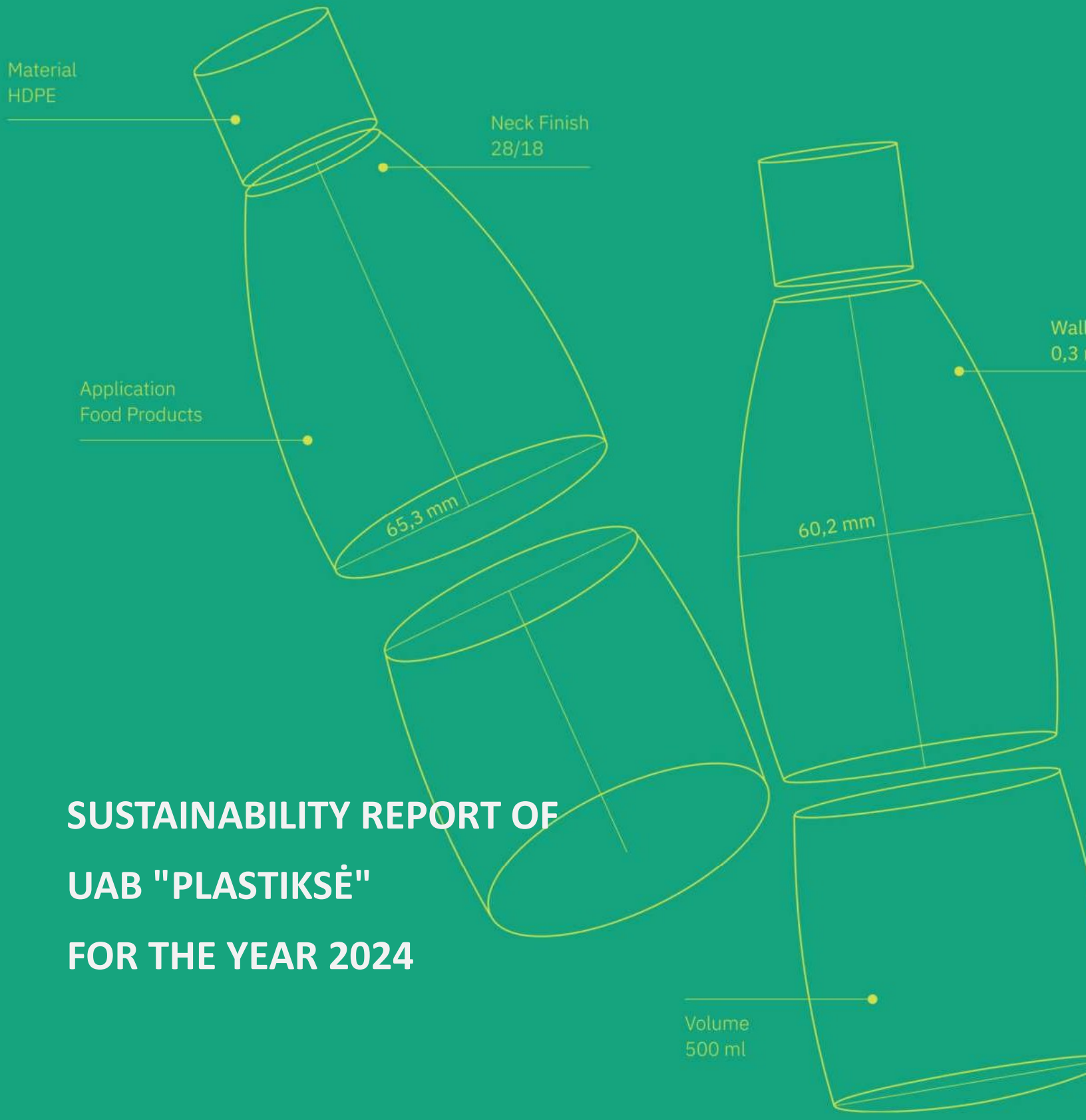

SUSTAINABILITY REPORT OF UAB "PLASTIKSĖ" FOR THE YEAR 2024

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Overview. General information

About the Sustainability Report

In light of the current environmental and social challenges, UAB PLASTIKSĖ (hereinafter referred to as UAB PLASTIKSĖ or the Company) integrates sustainability principles into its operations, believing that investing in sustainability not only enhances the Company's image but also creates long-term value for its employees, suppliers, customers and the society at large. Information relating to sustainability matters is provided when relevant to the specific circumstances of the Company's operations. The Sustainability Report has been prepared on a voluntary basis in accordance with the Voluntary Sustainability Reporting Standard for Small and Medium-sized Enterprises developed by *European Financial Reporting Advisory Group* (EFRAG)[1]. Disclosures are made in the Basic and Comprehensive modules.

Although companies are normally exempted from providing comparative information for previous reporting periods, we have chosen to include such data in the Sustainability Report in order to increase transparency on the current situation. Therefore, as far as possible, most of the indicators are presented together with comparative data for the previous period. By presenting the dynamics of these indicators and providing explanations, we hope that stakeholders will better understand the specificities of our Company's activities. The data presented in this report cover only the activities of UAB PLASTIKSĖ.

About the Company

UAB PLASTIKSĖ was founded in 2000 and has been successfully operating on the market for 25 years under NACE code 22.22 – Manufacture of plastic packaging.

Key facts about the Company in 2024:
The current number of employees is 296 (254 in 2023).
Revenue amounts to EUR 26.7 million (EUR 21 million in 2023).
The Balance sheet assets amount to EUR 22.7 million (EUR 18.7 million in 2023).

[1] https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/VSME%20Standard.pdf

More detailed information on performance and ongoing activities is provided in the Company's 2024 Annual Report.

The main activity of UAB PLASTIKSĖ is the production of plastic packaging - bottles, jars, tanks and lids, caps for food, pharmaceutical, chemical and cosmetic industries, in Lithuania.

Geographical location of owned, leased or managed sites

Sites	Address	Postal code	City	Country	Coordinates (geolocation)
Registered office	Stoties str. 63	LT-21366	Vievis	Lithuania	54.781940, 24.802800
Warehouse	Stoties str. 63	LT-21366	Vievis	Lithuania	54.781940, 24.802800
Industrial and warehousing areas	Stoties str. 46	LT-21366	Vievis	Lithuania	54.784317, 24.801388

In May 2024, the Company received the EcoVadis ESG Bronze certification. The certificate confirms the Company's responsibility in the areas of environmental protection, social responsibility and business conduct, and reinforces its commitment to acting responsibly in the areas of the environment, social responsibility and corporate governance. The EcoVadis certificate is based on international standards and assesses companies' performance in the areas of environment, labour and human rights, ethics and sustainable sourcing. The Company is also certified under the ISO 9001 and FSSC 22000 certification schemes.

Practices, policies and future initiatives for transitioning towards a more sustainable economy

Sustainability practices, policies and future initiatives cover what a company does to reduce its negative impacts and/or increase its positive impacts on people and the environment in order to contribute to a more sustainable economy. Practices in the context of sustainability may include deliberate and targeted

actions to reduce the company's water and electricity consumption, to reduce greenhouse gas (GHG) emissions, as well as initiatives to improve working conditions and equal treatment in the workplace, and to promote the training of the company's employees.

UAB PLASTIKSĖ implements actions and activities in line with sustainability and environmental policies in order to reduce the environmental impact of its activities. Taking into account the ongoing activities, the business environment and the expectations of stakeholders, the Company has identified the most important sustainability areas in its 2024 Double Materiality Assessment. These areas include employee rights, health and safety, product quality and safety, waste management, pollution, circular economy principles, risk management, business conduct, responsible marketing, affected communities, energy management and employee training and engagement.

In 2023 Company has developed and implemented a Sustainability Policy that guides its activities. In 2024 Sustainability policy was updated. The policy sets out principles relating to responsible use of resources, minimising environmental impact, business conduct, working conditions and social responsibility. The Sustainability Policy helps the Company to ensure that sustainability considerations are integrated into decision-making. The Sustainability Policy is available on the Company's website - Sustainability - Plastikse.

The CEO of UAB PLASTIKSĖ, the Director, is responsible for setting and monitoring the sustainability objectives together with the department managers. The initiatives taken by the Company are aimed at reducing its environmental impact, with a particular focus on optimising electricity consumption, reducing waste generation and strengthening pollution control. In order to be socially responsible, the Company also plans to take action in the areas of promoting employee inclusion and skills development. In the future, the Company intends to implement specific sustainability initiatives such as the development of renewable energy sources, the introduction of energy consumption management measures and the application of circular economy principles in production.

These initiatives will help create more sustainable operations and responsibly contribute to a long-term positive impact on the environment and society.

Practices, policies and future initiatives for the transition towards a more sustainable economy

	Do you have a sustainability policy in place that addresses these sustainability issues?	**Are the policies, methods publicly available?**	**Briefly describe the methods/policies and corresponding actions**	**Do the policies have any targets?**
Climate change	Yes	Yes	Reducing greenhouse gas emissions; Optimising energy consumption; Environmental risk assessment and prevention; Renewable energy sources.	Reduce GHG emissions intensity per tonne of raw materials processed compared to 2024: 2026 - 2% 2027 - 3% 2028 - 5% 2030 - 8% Reducing energy intensity per tonne of raw materials processed: 2025 - carry out an energy cost analysis and identify the most energy intensive activities. 2026 - reduce energy intensity per tonne of raw materials processed by 2% compared to 2024 and provide staff training on energy efficiency. 2027 - reduce energy intensity per tonne of raw materials processed by 4% in 2027 compared to 2024 by introducing energy management measures. 2028 - reduce energy intensity per tonne of raw materials processed by 6% in 2028 compared to 2024 through process improvements. 2030 - introduce energy management systems according to ISO 50001. Increase renewable energy generation: 2025 - develop an additional solar power plant project. 2026 - to install additional solar power modules. 2028 - increase energy generation to 7% of the Company's needs.
Pollution	Yes	Yes	Reducing the use of hazardous chemicals in product manufacturing Minimising the discharge of pollutants into the nature via surface water.	Improve policies to reduce air pollution: 2026 - develop a plan to monitor air pollution indicators. 2027 - • conduct an inventory analysis of air pollution sources and their emissions. 2028 - install the Company's pollution monitoring system. 2030 - introduce additional pollution control measures in production processes. 2031 - reduce the pollutants air emissions by 10% compared to 2026.
Water and marine resources	Yes	Yes	Improving the efficiency of the use of raw materials and natural resources	No
Biodiversity and ecosystems	No	N/A	N/A	N/A
Circular economy	Yes	Yes	Reducing the generation of waste and ensuring proper waste management. Applying circular economy principles to supply chains, procurement procedures and the development of services and products.	Reduce waste generated in production processes compared to 2024: 2025 - 3% 2026 - 5% 2027 - 8% 2028 - 10% 2030 - 12%

	Do you have a sustainability policy in place that addresses these sustainability issues?	Are the policies, methods publicly available?	Briefly describe the methods/policies and corresponding actions	Do the policies have any targets?
Own workforce	Yes	No	Ensuring the implementation of policies to prevent psychological violence, mobbing, manage psychosocial risks and create a safe working environment. Developing qualification improvement plans and organising training A system for informing workers of breaches of working conditions.	Improve policies on employee diversity and inclusion: 2027-2028 - ensure at least 40% of women in management positions. Encourage employees' professional development by providing training per employee per year in: 2025 - 4 hours 2026 - 8 hours 2027 - 12 hours 2028 – 14 hours
Workers in the value chain	Yes	No	Overseeing compliance with the Supplier Code of Conduct, which includes expectations relating to the highest standards of business conduct and labour, human rights and environmental protection	Improve supply chain transparency: 2025 - 2026 - analyse the sustainability requirements of suppliers and establish a clear assessment of sustainability risks in the supply chain. 2027 - 40% of suppliers will be involved in the sustainability assessment. 2028 - 50% of suppliers would have signed the Supplier Code of Conduct and 80% in 2029.
Affected communities	Yes	Yes	Working with stakeholders to put in place appropriate measures to mitigate potential environmental impacts.	No
Consumers and end-users	No	N/A	N/A	N/A
Business conduct	Yes	No	Ensuring the implementation, supervision and control of the anti-corruption policy, including requirements relating to gifts and other benefits and conflicts of interest. Promoting the highest standards of business conduct in the supply chain. Ensuring processes for handling and investigating irregularities received through internal channels.	Establish an effective mechanism to prevent corruption: 2026 - identify employees in roles with elevated risk exposure and begin targeted anti-corruption training. Communicate the Company's anti-corruption policy to all employees through internal communication channels. 2027 - 100% of the employees in roles with elevated corruption risk must be trained. 2028 - publish the anti-corruption policy and relevant guidelines on the Company's website and internal platforms. Provide a framework of measures to create a transparent environment within the Company: 2026 – conduct a risk assessment to evaluate potential corruption vulnerabilities across business functions. 2027 - conduct a study on tolerance of corruption. 2028 - develop and adopt a Corporate Transparency Policy

Environmental information

GHG emissions and Energy

The impacts of climate change are mainly driven by energy consumption. Energy consumption includes the use of both renewable and non-renewable energy sources. The Company has been using only renewable electricity in its operations for more than 5 years (the Company has confirming certificates from UAB Enefit). The Company aims to develop an energy-sustainable and environmentally friendly business and is therefore a producer of renewable electricity. Renewable solar energy is produced from 2022 (615 kW of solar power plants) and used in the Company's operations (the Company has confirming certificates from UAB Eternia Solar LT). The Company does not use any fossil fuels to heat its buildings. In winter, the production site is heated by the residual heat from machinery and the administrative premises are heated by electricity. The Company does not offset its energy consumption with its own energy production.

Total energy consumption in 2024

	Renewable Energy Consumption (MWh)	**Non-renewable Energy Consumption (MWh)**	**Total 2024 Energy Consumption (MWh)**
Electricity	9 977	0	9 977
Fuel	0	0	0
Total	**9 977**	**0**	**9 977**

The Company has calculated its total greenhouse gas (GHG) emissions in tonnes of CO_2 equivalent (tCO_2e) to understand the environmental impact of its activities and to identify opportunities to reduce them. These emissions include Scope 1 (direct) emissions and Scope 2 (indirect) emissions

Scope 1 GHG emissions include direct emissions from sources owned or controlled by the company. This includes vehicles and other fuel-burning equipment owned or leased by the company that emit carbon dioxide during the combustion process. The quantities of fuel consumed by the Company have been obtained from the internal accounting system and the consumption data are collected in litres. The conversion factors provided by DEFRA (*Department for Environment, Food & Rural Affairs*) and the European residual mix emission factors provided by *AIB (Assosiation of Issuing Bodies)* were used to calculate the GHG emissions from electricity use.

Scope 2 GHG emissions come indirectly from the generation of purchased electricity consumed by the company. The source of consumption data is invoices. The electricity consumption of the Company's operations is 9 977 MWh in 2024 and 7 479 MWh in 2023. For the calculation of Scope 2 GHG emissions, the market-based and location-based approaches were applied. The location-based approach reflects the average emissions intensity of the networks where the energy is consumed while market-based approach, calculates emissions based on the emissions of the producers from whom the electricity is purchased under contract. UAB PLASTIKSĖ uses only renewable electricity in its operations. The use of renewable electricity does not leave a CO_2 footprint, so the market-based approach calculates zero Scope 2 CO_2 emissions for that amount of energy. The Company aims to develop an energy-sustainable, environmentally friendly business in the long term and is therefore continuously evaluating additional opportunities to generate renewable energy for its own use. In 2024, the Company generated 535 MWh of renewable electricity. This represents more than 5% of the total electricity needed for the Company's operations.

Defining the organisational boundary is a crucial step in accounting for a company's GHG emissions. This step determines which operations are included in the company's organisational boundary and how the reporting company consolidates the emissions from each operation in accordance with the requirements of the GHG Protocol and ISO 14064-1:2018. For the emissions inventory, an operational control approach has been chosen, which accounts for all GHG emissions under the control of the company. The GHG emissions in the table below have been rounded to a whole number.

GHG emissions

	GHG emissions (tCO_2e), 2024	**GHG emissions (tCO_2e), 2023**	**Change, %**
Scope 1	107	101	6
Scope 2 (location-based)	1 427	1 046	36
Scope 2 (market-based)	0	0	-
Total (location-based)	**1 535**	**1 147**	**34**
Total (market-based)	**107**	**101**	**6**

As production volumes and the Company's revenues have grown and the number of employees has increased, GHG emissions have also increased. While total GHG emissions increased by 34%, the GHG emissions intensity indicator for revenue increased by only 6% over the same period. In 2024, for every euro earned, there was a 0.00005751 tonne of CO_2, compared to 0.00005443 tonne of CO_2 for

every euro in 2023. This means that 5.75 tonnes of CO_2 per 100 000 euros of revenue in 2024 compared to 5.45 tonnes of CO_2 per 100 000 euros in 2023.

Pollution

Activities in the plastics manufacturing sector inevitably generate pollutants that are emitted into the air, water or soil. UAB PLASTIKSĖ strives to monitor and manage its emissions in order to reduce its negative impact on the environment and to comply with legal requirements. Regular third-party surveys of surface storm water pollution help the Company to monitor the environment more effectively. Surface stormwater is the water from rainfall that does not soak into the ground and enters the sewerage system from impermeable surfaces (pavements, streets, parking lots) or from the roofs of buildings. These effluents may contain suspended solids, which include particulate matter that can settle to the bottom of the water, biochemical oxygen demand (BOD7), which is an indication of the amount of organic matter discharged in terms of the oxygen equivalent required to break down these substances under natural environmental conditions, and petroleum products, which are chemically active and environmentally hazardous substances. The emissions of pollutants are given in kilograms (kg), indicating whether they are released to air, water or soil.

Pollutants emitted by the Company in 2024

Pollutant	Emissions (kg)	Medium of release (air, water, soil)
Suspended solids	222	Water
BOD7	24	Water
Petroleum products	6	Water
Total	**252**	**Water**

The Company is equipped with a water treatment plant. The plant is subject to periodic maintenance. Monitoring of discharges of pollutants to the natural environment from pollution sources in surface water is carried out on a regular, quarterly basis. A designated responsible person takes samples for analysis on a regular basis according to a fixed schedule. Samples are tested in accredited laboratories. No deviations from the permitted pollutant levels have yet been recorded at the Company.

Water

No water is used in the manufacturing process. Nevertheless, clean and high-quality water is essential for the Company's operations. Given the Company's activities, hand hygiene of employees is a priority in order to prevent microbiological contamination of the product. Therefore, at least once a year, the

quality of the water is checked by independent accredited laboratories to that the microbiological and chemical parameters of the water comply with the hygiene standards. The Company also has a special filtration system to ensure that employees have access to quality drinking water (cold, sparkling and hot). According to the water supplier's bills, the Company's water consumption is zero, as all the water used is returned to wastewater.

The World *Resources* Institute *Aqueduct Water risk atlas* map was used to assess the baseline water stress indicator values in the Company's water stress areas. Values above 40% indicate that water stress is high.

Water withdrawal data

	Water withdrawal (m^3), 2024	**Water withdrawal (m^3), 2023**	**Change, %**
All sites	1 787	1 460	22
Sites in areas with water stress (>40%)	1 787	1 460	22
Total	**1 787**	**1 460**	**22**

In recent years, the amount of water used has increased in line with the increase in the number of employees, and the amount of water withdrawn from natural water sources. In 2024, the amount of water withdrawal increased by 22% compared to the 2023 reporting period, but amount of water per employee increased by only 5%.

Water per employee

	2024 m.	**2023 m.**	**Change, %**
Water per employee, m^3	6.04	5.8	5

Resource use, circular economy and waste

The circular economy model is based on using resources in ways that allow them to be reused, recycled or used to make new products. It aims not only to reduce waste but also to conserve natural resources. UAB PLASTIKSĖ aims to apply circular economy principles in its activities, which promote resource efficiency and waste reduction. The Company has a quality management system in place, and has an approved responsible purchasing process, which is used to purchase certified goods and services. We also make efforts to educate our customers and communities about product reuse, the colour of PER/RPET packaging, the importance of choosing transparent PET/RPET packaging as a priority, and the importance of collecting HDPE, PP and PET packaging. We aim to inform the public about why PET packaging must be collected, how it is recycled and how it can be recycled again for the production of other packaging. We also offer our customers alternatives to labels, such as printing on the bottle, which improves the quality of the recycled PET bottle. This is a great solution in the circular economy, allowing PET bottles to be returned for recycling.

The Company's activities are guided by an environmental policy that sets out objectives related to the circular economy:

Recycling and reusing packaging. The Company chooses products with recyclable or reusable packaging at the purchasing stage.

Improving the waste management system. The Company continuously improves its waste management systems to be flexible and adaptable to growing needs.

Sorting of waste. The Company sorts glass, plastics by type, paper and metal in accordance with legal requirements.

Reducing waste in manufacturing. The Company reduces overall waste by using production residues and off-cuts to produce new products, in line with Good Manufacturing Practices (GMP).

Use of recycled PET. The Company has converted part of its virgin PET to recycled PET, thus reducing its dependence on new raw materials.

Employee education and involvement. The Company systematically educates and involves employees in waste separation and recycling programs.

The Company aims to develop a recycling strategy for other types of plastics (PE, PP) generated in production to address the problems caused by plastics at all stages of production.

The equipment used in the production and quality control of the products is certified and regularly maintained. Laboratory equipment has monitoring and inspection plans and associated records. Raw materials used in the manufacture of products are also purchased according to agreed and approved criteria only from approved suppliers. Raw materials have their own documentation database and the necessary certificates, while RPET raw materials have additional documentation and only recycled plastic raw materials approved by the European Food Safety Authority (EFSA) are used. Production workers are educated on sorting of defective goods, secondary and tertiary packaging. The Company has approved sorting rules, as sorting is based on chemical composition (colour) to ensure the recyclability of plastic in a cyclical manner. Correctly sorted waste is only handed over to entities approved by the Register of Waste Managers.

The Company has all the conditions in place to separate waste, including batteries, electronics and deposit packaging.

Waste

During the reporting period, the Company generated 61.75 tonnes of waste, of which 57.14 tonnes were non-hazardous and 4.61 tonnes were hazardous waste. Hazardous waste such as engine, gearbox and lubricating oils, packaging containing or contaminated with residues of hazardous chemicals, metal packaging including compressed air containers containing hazardous solid porous binders (e.g. Waste containing hazardous solid solid-contained materials (e.g. asbestos)), including empty pressurised containers of paints and varnishes containing organic solvents or other hazardous chemicals, have been managed in accordance with the legal requirements, ensuring that they are safely recycled or recovered. Non-hazardous waste was separated and most of it was diverted for recycling or reuse. In total, 92% of waste was diverted for recycling, contributing to reducing waste to landfill and conserving resources. 2.4 tonnes of paper and cardboard and other plastic waste generated are located on the Company's premises and will be handed over to a waste manager for recycling or reuse.

Waste generation in 2024

	Waste generated, tonnes		
	Total amount of waste generated, of which:	**Waste diverted to recycling or reuse**	**Waste destined to disposal**
Paper and cardboard packaging	33.54	32.61	
Plastics	8.72	8.72	
Other plastic packaging	11.33	9.89	
Groups not otherwise specified	2.06		2.06
Mixed construction and demolition waste	1.49	1.49	
Total non-hazardous waste:	**57.14**	**52.71**	**2.06**
Waste paint and varnish containing organic solvents or other hazardous substances	0.197		0.197
Other engine, gearbox and lubricating oils	3.831		3.806
Metal packaging, including compressed air tanks, containing dangerous solid porous binding substances	0.01825		0.017
Other hazardous ingredients	0.522		0.522
Packaging containing or contaminated with residues of hazardous substances	0.042		0.041
Total hazardous waste:	**4.61**	**0**	**4.58**
Total waste:	**61.75**	**52.71**	**6.64**

Annual mass-flow of materials

In the plastics manufacturing sector, large flows of raw materials are used. The annual raw material mass flow is the amount of raw material mass used in the production process per year. It is an important indicator of the company's dependence on specific materials in its operations. During the reporting period, the Company consumed 6 352.7 tonnes of raw materials, including PET, RPET, PP bottle caps, HDPE bottle caps, PP bottles, dye and molds/ preforms (see table below). In order to reduce its dependence on virgin raw materials, the Company continuously analyses its raw material use processes and looks for ways to reduce its consumption and increase the use of recycled materials in its production. The Company already uses 100% recycled plastic for its RPET packaging. The total use of recycled plastic in the production of the Company's products represented 27% of the total raw material used. This demonstrates the Company's efforts to promote sustainability and reduce the need for raw materials. As part of the circular economy, the Company plans to start recycling defective goods generated during production. So far, the Company does not recycle any plastic waste internally, but aims to begin this activity pending EFSA approval for the on-site production of RPET raw material.

Social information

General characteristics

UAB PLASTIKSĖ ensures favourable working conditions for its employees and cares for their well-being. All employees are employed in accordance with the legislation of the Republic of Lithuania, with social guarantees. The Company upholds a remuneration system, rules of procedure, a policy for ensuring the psychological safety of employees and the procedures for its implementation, an equal opportunities policy, a sustainability policy, which help to maintain a transparent and safe working environment. These measures are designed to ensure that all employees are respected and have equal opportunities to work and develop.

In 2024, the average number of employees was 296. The Company concludes employment contracts in accordance with the law. The majority (98%) of employees are employed under standard permanent employment contracts. The Company employees staff on temporary contracts to cover colleagues during parental leave.

Distribution of employees by type of contract in 2024

Type of employment contract	Average number of employees
Temporary contract	7
Permanent contract	289
Total employees	**296**

Promoting employee diversity, creating an inclusive culture and ensuring employee well-being provides multiple benefits for both employees and the Company, and promotes sustainable growth. The Company does not discriminate on the basis of gender, age, political or religious beliefs. The Company aims to ensure diversity and equal opportunities for all employees. There were no incidents identified in the Company of discrimination, including harassment in 2024.

Gender distribution of employees in 2024

Gender	Average number of employees	*Employee distribution, %*
Male	118	40
Female	178	60
Total employees	**296**	**100**

The employee turnover rate reflects the movement of employees during the reporting period. Employee turnover includes those who have left the enterprise for a variety of reasons, including voluntary resignation, dismissal and retirements. This indicator is calculated by dividing the number of employees who left during the reporting period by the average number of employees during the reporting period and multiplying by 100. The employee turnover rate in 2024 was 25%. Employee turnover was influenced by changes in residence (moving to another municipality), family circumstances that did not allow working at night and/or insufficient wage.

Health and safety

UAB PLASTIKSĖ is committed to the health and safety of its employees to ensure a safe working environment and reduce the risk of accidents. Safety risks are continuously assessed in the workplace and preventive measures are taken to address identified hazardous areas. The Company's employees

are provided only with certified CE-marked personal protective equipment. Production and warehouse workers are also provided with labelled and easily traceable work clothes, supplied by UAB Elis textile service, which is certified for quality and environmental protection (ISO 9001, ISO 14001). The company providing the work clothes care service ensures that the laundry detergents used for the care of the garments and the cleaning (or laundering) process itself are safe for their employees and the environment.

During the reporting period, the Company recorded 2 accidents on the way to work. No additional safety measures were taken by the Company as the incidents were not related to the working environment or the functions performed by the employee. However, the Company continuously assesses safety risks and applies preventive measures to hazardous areas and regularly conducts safety training, updates occupational risk assessments and evacuation plans to ensure the safety of workers. On average, there are 0.68 accidents per 100 full-time workers per year, and the frequency of these accidents is calculated on the basis of the assumption that a full-time worker works an average of 2 000 hours per year.

Remuneration, collective bargaining and training

All employees are paid a wage equal to or above the national minimum wage, regardless of the type of contract or level of post. The remuneration policy ensures that any discrimination on gender and other grounds is avoided. Men and women are paid the same wage for the same or equivalent work. The Company's efforts to ensure adequate wage and development opportunities for its employees contribute to the long-term competitiveness of the Company and the strengthening of its organizational culture.

In 2024, the gender pay gap was 23%. This is due to the distribution of job functions by position: almost half of the Company's employees are women, working as packers on the production line, a position with lower remuneration. By contrast, most men work in technical positions in production, such as mechanics or operators, which are characterized by higher qualification requirements, longer training periods and greater responsibility, and therefore higher wage. The Company continuously assesses this difference, analyses the reasons for it and, if necessary, adjusts its remuneration policy in order to ensure equal opportunities for all employees, to consistently reduce the pay gap, and to ensure that the structure of wage is in line with the principles of equal opportunities. The Company does not have a collective bargaining agreement.

Training and professional development of employees is an important part of UAB PLASTIKSĖ activities. The Company provides equal opportunities for professional development, further training, retraining and work experience. In 2024, the Company's objective was to provide an average of 16 hours of training per employee per year, but due to the intensive production activities and the expansion of the Company,

this objective could not be met, with an average of 1.84 hours of training per employee per year. The Company plans to review its training practices in the coming year and to take additional steps to ensure employees' skills development.

Business conduct

Convictions and fines related to bribery and anti-corruption

Corruption is the abuse of power for personal gain, which can be instigated by individuals and organizations. It includes practices such as soliciting bribes for public services, fraud, asset extortion, collusion and money laundering. Corruption can also include the offering or receiving of any gift, loan, fee, reward or other benefit to any person as an inducement to commit dishonest, illegal acts or abuse of trust on behalf of a company. Preventing such practices is essential to ensure fair, ethical and transparent business. The Company has implemented a policy on corruption prevention in 2023. The policy has a zero-tolerance policy for corruption and bribery, which is in line with the United Nations Convention against corruption. The policy sets out the actions to be followed by employees when they encounter corruption.

No convictions or fines were recorded for breaches of corruption and bribery laws in the reporting year.

Comprehensive module

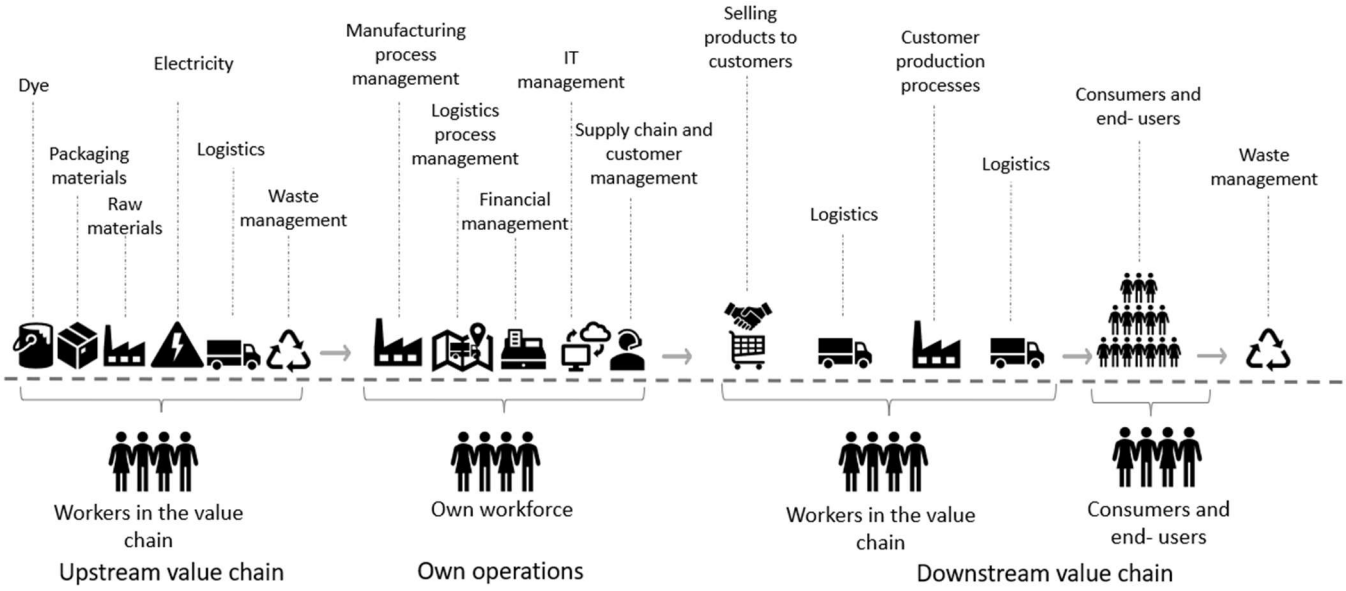
Market situation. Strategy, business model

UAB PLASTIKSĖ specializes in the production of high-quality plastic packaging products – bottles, jars, tanks, caps for the food, pharmaceutical, chemical and cosmetic industries. The Company operates in the B2B field and produces PET and RPET (PCR bottles) in various sizes from 10 ml bottles to 8 l containers. Since 2013 the Company has been producing and marketing HDPE plastic ROPP standard caps and since 2016 producing PP caps for jars. As part of the rapid expansion of sales and markets, in 2017 the Company was certified according to the FSSC 22000 standard. Later on, the Company also implemented the ISO 9001:2015 standard. Currently, the Company is able to offer its customers a complete range of plastic packaging: jar, cap, printing on products and/or labelling according to customer requirements.

In preparing the 2024 Sustainability Report, the Company has carried out a detailed assessment of the players in the primary value chain. The stability and efficiency of operations is ensured through close cooperation with key suppliers, which helps to guarantee reliable supply and high quality, which is particularly appreciated by our customers. We work closely with suppliers including dyes manufacturers, suppliers of packaging materials and other raw materials for production, logistics and waste management providers. Our relationships with these suppliers are focused on ensuring smooth and efficient operations that meet our business objectives.

Our customers are European food, pharmaceutical, chemical and cosmetic manufacturers and wholesale packaging companies who value the quality of our products and service. All our products are customizable, and we constantly strive to ensure reliability, innovation and responsiveness in solving problems.

Value chain



Successful action is not possible without meaningful dialogue with stakeholders. The Company actively engages with its stakeholders to integrate their expectations and interests into the strategy:

Own workforce. We encourage development and safe working conditions. We organize training, surveys, professional development and fair wage.

Suppliers. We regularly cooperate on quality assurance issues to ensure stability of supply and high quality of services/products.

Clients. We ensure high quality products and services and regularly collect feedback through customer service channels.

Affected communities. We participate in local initiatives and support community well-being.

Government authorities. We comply with all legal requirements and comply with national and EU regulations.

Shareholders. We report on the Company's performance, earnings growth and strategy execution.

Media. We provide accurate and transparent information and participate in public events.

Associations and NGOs. We work together on social and environmental issues and participate in various projects and initiatives.

Financial institutions and other financial market participants. We ensure the smooth execution of financial transactions and manage the risks to the Company.

Nature. We consider nature as a "silent" stakeholder.

The Company's objectives are based on sustainability considerations, with the aim of using resources responsibly and improving operational efficiency. The Company is constantly looking for innovative ways to contribute to a sustainable economy and long-term value creation, and therefore prioritises employee well-being, energy optimisation and circular economy solutions in production.

Business conduct

Revenues from certain sectors and exclusion from EU reference benchmarks

UAB PLASTIKSĖ does not operate in sectors related to controversial industries such as weapons (anti-personnel mines, cluster munitions, chemical and biological weapons), tobacco cultivation and production, fossil fuel (coal, oil, gas) exploration and extraction, or chemicals (pesticides and other agrochemicals) production.

The Company is also not subject to the EU benchmarks aligned with the Paris Agreement, which are designed for financial market participants to ensure that their investments are in line with climate change mitigation targets.

Gender diversity in the corporate governance body

The Company does not have a collegial management body, such as a board of directors or a management committee, responsible for strategic decision-making and overseeing operations.

Environment

GHG emission reduction targets and transition plan to mitigate climate change

The Company does not currently have a GHG emission reduction target. The Company has also not developed a transformation plan to mitigate climate change, but recognises its importance for long-term GHG emission reductions and environmental impact management. The Company intends to address this in due course, as part of its evolving sustainability strategy.

Climate-related risks

Climate-related risks include potential hazards and transition events that could have a significant impact on a company's operations, assets and value chain. In preparing the 2024 Sustainability Report, the Company has carried out an assessment of the risks associated with the impacts of climate change, which includes both physical hazards and transition events that could have a significant impact on the Company's operations

The Company has used climate change scenarios in the Company's geographical location to assess the impact of climate change risks on assets and operational stability, which help to identify the potential impact of climate risks. The assessment took place in several stages:

Stage 1 – identifying risks and opportunities;

Stage 2 – identifying the key risks and opportunities;

Stage 3 – modelling risks and opportunities under climate change scenarios;

Stage 4 – evaluating results and preparing plans for the future.

The analysis started with a comprehensive list of risks to identify potential risks that could affect the Company's operations. This included an analysis of research and internal data to identify potential physical and transition events risks. The physical risks were assessed over three-time horizons: short term (2021-2040), medium term (2041-2060) and long term (2081-2100). In each period, the intensity of the risk exposure was analysed on the basis of 4 and 1.5 degree warming scenarios from the IPCC WGI Interactive Atlas, at the Company's geographical location. The risk exposure intensity is assessed separately for chronic and acute climate risks, taking into account the model projections and the nature of the impact occurrence. Chronic risks associated with long-term climate change and acute risks associated with extreme weather events were assessed in the context of the changes already occurring and their impact on the Company's operations and assets. Financial losses related to physical risks were assessed on the basis of the value of fixed assets as at 30 September 2024 with the following levels of risk losses: small (up to 0.5% of the value of assets), medium (0.5% to 1% of the value of assets) and large (1% and more of the value of assets). The financial risk assessment has taken into account the maximum possible loss, so that the financial impact is assessed in the same way for all periods. This is based on the fact that the magnitude of the financial loss depends on the potential impact of the physical risk on the company and not on the period of occurrence.

Physical risk analysis

		4°C Scenario			1.5°C Scenario		
Risk / Opportunity	**Type of risk**	2021-2040	2041-2060	2081-2100	2021-2040	2041-2060	2081-2100
Changing air temperature	Chronic risk						
Heat stress	Chronic risk						
Changes in precipitation patterns	Chronic risk						
Precipitation or hydrological variability	Chronic risk						
Heat waves	Acute risk						
Wildfires	Acute risk						
Storms	Acute risk						
Drought	Acute risk						
Heavy precipitation	Acute risk						

Significant risk	
Potentially significant risk	
Risk assessed as negligible	

Acute hazards such as droughts, storms, heat waves, heavy precipitation or wildfires can pose an immediate risk to the Company's assets and business continuity. Chronic hazards arise from long-term changes in climate, changing temperatures, hear stress, changes in precipitation patterns. These phenomena can affect the stability of operations and assets over time. The Company plans to undertake future climate change adaptation actions in relation to these risks and events.

It also assesses climate-related transformation risks, which include economic, technological, market and reputational aspects. These risks may affect the Company's operations due to changing requirements and business trends, such as investments in less polluting technologies, changes in the regulation of products and services, and changes in customer behaviour.

Risks and opportunities for transition

Risk / Opportunity	Type of risk	By 2030	By 2050
Mandates on and regulation of existing products and services	Legal risk	x	
Mandates on and regulation of existing production processes	Legal risk	x	
Changing customer behaviour	Market risk	x	
Increased cost of raw materials	Market risk	x	
Stigmatization of sector	Reputational risk	x	
Sustainable financing	Political opportunity		x
Substitution of existing products and services with lower emissions options	Technological opportunity		x
Unsuccessful investment in new technologies	Technological risk		x
Costs of transition to lower emissions technology	Technological risk		x
Redistribution of market competitiveness due to climate policy	Market risk		x
Uncertainty in market signals	Market risk		x

Social information

Human rights policies and processes

Although human rights violation incidents are not widespread in the territory where the Company operates, UAB PLASTIKSĖ is committed to human rights standards and to fostering a fair, inclusive and ethical working environment. To this end, the Company has adopted the sustainability policy that ensures the protection of the fundamental human rights of all employees and provides protection for persons who report or witness human rights violations or similar incidents. This policy applies throughout the Company and establishes the fundamental human rights principles. In addition, the Company's Supplier Code of Conduct stipulates that all suppliers must respect human rights and observe appropriate labour standards. These documents form the basis of our commitment to human rights and are regularly reviewed to ensure their effectiveness and compliance with international standards and best practice.

Policies take these issues into account:

- ✓ child labour
- ✓ forced labour
- ✓ human trafficking
- ✓ discrimination

The Company has a grievance mechanism that allows employees to anonymously report possible human rights or ethical violations. This mechanism is designed to ensure confidentiality and to allow all employees to safely express their concerns. Employees, service recipients, suppliers, customers or any other interested parties have a duty to report violations, unethical or unfair behaviour to the Company. Such reports should be submitted to the Company at sustainability@plastikse.com

Human rights incidents

During the reporting period, the Company did not identify any incidents related to: child labour, forced labour, human trafficking or discrimination. We monitor our activities to ensure that we comply with human rights standards. If such incidents occur, we are committed to taking immediate remedial action to address them and prevent future occurrences. We are also not aware of any confirmed human rights incidents involving employees, communities, consumers or end-users in our value chain. We strive to ensure compliance with our human rights policy and foster a culture of respect and responsibility throughout our operations. The Company is not aware of any confirmed incidents involving impacts on employees, affected communities and consumers and/or end-users in the value chain.