



AB Akola Group

Consolidated Sustainability Report

For the financial year 2023/2024

last updated 12-Dec, 2024

This is our third annual sustainability report in accordance with the GRI Standards for the fiscal year 2023/24. In line with GRI, we have adopted the Sector Standard GRI 13: Agriculture, Aquaculture, and Fishing Sectors 2022, ensuring enhanced transparency and accountability.

With our recent rebranding as AB AKOLA GROUP, which stands for "Authentic knowledge of the land's alphabet," we aim to reflect our expertise and identity across the food chain. Akola Group's mission remains grounded in delivering affordable, nutritious, and accessible meals while managing global challenges.

Throughout this year, our team has strengthened sustainability integration across the Group. The process remains complex, involving coordination with stakeholders, internal departments, and companies. As we progress with reporting and implementation, more and more information is being integrated online. Please feel free to click on the links throughout the report for more detailed information.

In addition to meeting GRI standards, we are preparing to introduce **double materiality** assessments in the coming reporting period, aligning with **European Sustainability Reporting Standards (ESRS)** requirements. This will allow us to address both the financial and non-financial impacts of our operations.

Adjustments to the previous year's data were made due to improved methodologies. Key revisions include merging the 'Grain, oilseeds, and feed', 'Products and Services for Farming' segments into 'Partners for Farmers' segment (as more thoroughly indicated in our Financial reports for FY 2023/24). No recalculation of KPIs was required as a result of these changes.

REPORTING PRINCIPLES:

- **Accuracy:** Ensuring data precision with clear measurements.
- **Balance:** Providing a transparent view of trends, covering both positive and negative impacts.
- **Clarity:** Presenting information in a clear, easily accessible format.
- **Comparability:** Adopting international standards for consistent reporting.
- **Completeness:** Disclosing all information critical to understanding our impacts. Sustainability report aligns with our financial reporting (except for minimal scope discrepancies related with companies not included in this report, namely OOO KLM, Nordic Agro investment Limited, as well as dormant companies, or companies undergoing liquidation).
- **Sustainability Context:** Aligning our impacts with global objectives, such as the Paris Agreement and UN human rights principles.
- **Timeliness:** Reporting in a timely manner while maintaining high-quality standards.
- **Verifiability:** Backing data with evidence and ensuring transparency.





SUSTAINABILITY TARGETS:

We track progress on our sustainability agenda aligned with the UN's Sustainable Development Goals, approved by the Board, and cascading through all subsidiaries. As a leading food exporter, AB Akola Group is linked to both domestic and international markets. With over half of our production directed internationally, we remain committed to addressing sustainability challenges both locally and globally.

The GRI reporting process and the final report have been produced by the independent third-party consultancy, Sustainability.It.

For any feedback or questions related to this report, please contact: Dovilė Revutaitė, e-mail: d.revutaite@akolagroup.lt

While scrolling through the report – reader will notice different colored hearts, representing different areas of sustainability:

- social 
- environment 
- governance 
- economic 

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

VERTICALLY INTEGRATED GROUP

Our core operations focus on the production and distribution of a wide variety of products, including grains, oilseeds, compound feeds, feed ingredients and additives, raw milk, poultry and its derivatives, milled products, instant foods, pet food, veterinary medicines, and vital agricultural supplies such as equipment, fertilizers, and plant protection products.

[Click here to discover more](#)

HISTORY

The first company within Akola Group began its journey over three decades ago, focusing on rapeseed exports. Today, we have grown to become one of the most prominent agricultural and food production groups in the Baltic region, with a strong presence across more than 60 locations and four core business segments. Our operations span grain trade, farming, milling, and the poultry business, with over 33 years of experience in grain trade, 31 years in providing products and services to farmers, 21 years in farming, 11 years in the poultry industry, and 3 years in milling.

[Click here to discover more](#)

FOUR HEARTS



We are dedicated to driving change at every step. Our sustainable development initiative, 'Four Hearts,' brings together each company within the Group, with employees actively involved in this collective effort.

[Click on the Four Hearts logo to learn more.](#)

LEADERSHIP

The Management Board

[Click on the links to learn more on collective knowledge and experience of members of the Management Board](#)



MEMBER
ARŪNAS ZUBAS

DEPUTY CHAIRMAN
ANDRIUS PRANCKEVIČIUS

CHAIRMAN
DARIUS ZUBAS

MEMBER
JONAS BAKŠYS

MEMBER
MAŽVYDAS ŠILEIKA

THE GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the supreme body of the Company. The last Annual General Meeting was held on [27 October 2023](#).

THE MANAGEMENT BOARD

The Management Board consists of six members; none are independent. Dainius Pilkauskas resigned in April, 2024.

THE HEAD OF THE COMPANY

The Head of the company is also the Chairman of the Management Board. Elected by The General Meeting of Shareholders

OTHER MANAGEMENT BODIES

[Click on the corresponding box to learn more](#)

The Supervisory Board

The Audit Committee

OWNERSHIP

[Click here to discover more](#)

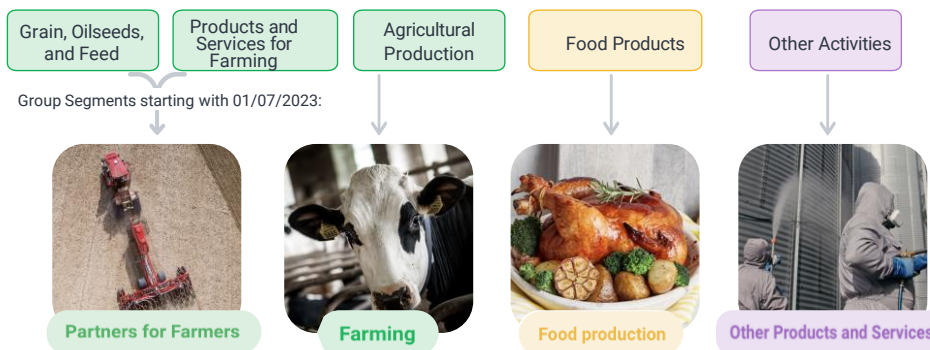
Akola Group shares have been Traded in Nasdaq Vilnius since February 17, 2010
Total number of shares 167,170,481
The Company's number of shareholders as at 30 June 2024 was 4,364.



CHANGE OF BUSINESS SEGMENTS

The structure and resource allocation within segments were streamlined to better align with the Group's strategic vision and focus on circular activities. The "Grain, Oilseeds, and Feed" segment was streamlined and merged with the "Products and Services for Farming" segment. Except for AB Kauno Grūdai, which continues to operate across three segments, all other companies within the Group are now focused on delivering results within a single segment. The change is reflected in the data reported for better comparison, and historic data has been rearranged accordingly. *Click on the pictures below to learn more.*

Group Segments up until 30/06/2023:



ACQUISITION OF GRYBAI LT

On July 21, 2023, AB Kauno Grūdai completed the acquisition of Grybai LT for EUR 12.95m. Grybai LT, based in Širvintos, produces ready-to-eat organic meals, including soups, curries, and vegetables, exporting to over 30 countries.

We are on track to expand Grybai LT's production by 3.7 times over 5-6 years, investing EUR 4.4m. The deal includes a transitional period of 18 months during which AB Akola Group can use the AUGA brand for Grybai LT's products, after which they will rebrand under the "Activus" name (in LT market).



REBRANDING

We officially became AB AKOLA GROUP in December of 2023. The name 'Akola' conveys 'Authentic Knowledge of the Land's Alphabet' and reflects our group's expertise and identity. As we continue expanding the food production chain, starting with agriculture, we are increasingly focused on developing new food products and brands and establishing them in Western European markets.

AB VILNIUS PAUKŠTYNAS CASE

In 2023 AB Vilnius Paukštynas (Rudamina utilization unit) three violations related to exceeded pollution norms stipulated in the Integrated Pollution Prevention and Control (IPK) permit were recorded; recording of three violations within 12 months period constitutes the basis for the Environmental Protection Agency to revoke the IPK permit, i.e. restrict activities; In order to prevent possible cases of over-normative pollution, the company submitted an action and modernization plan, the actions of which are already in process on the date of publication of this report. Accordingly, the Court confirmed in its ruling that activity limitation will not be initiated during the implementation period of the modernization plan.

MERGER OF LATVIAN POULTRY COMPANIES

In February 2024, AS Putnu fabrika Ķekava merged with SIA Lielzeltiņi, SIA Broileks, and SIA Cerova, forming a unified company under the name AS Ķekava Foods. The merger preserved jobs while streamlining internal processes to reduce costs and bureaucracy.

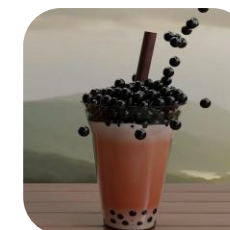


CHANGES IN THE MANAGEMENT BOARD

Dainius Pilkauskas resigned as a board member of Akola Group and as trade director for the Baltic countries, transitioning to a consultant role in grain trading.

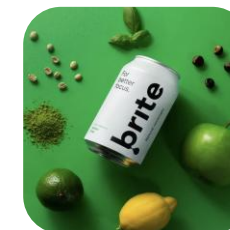
INVESTMENT IN OMG BUBBLE TEA

In March 2024, we invested EUR 1.9 million to acquire a minority stake in OMG Bubble Tea, a fast-growing Lithuanian startup that produces natural bubble tea. Founded in 2022, OMG Bubble Tea exports 95% of its products to countries like France, Germany, and the UK. The company has 143 employees and operates a production facility in Panevėžys.



INVESTMENT IN BRITE DRINKS

In April 2024, AB Akola Group invested EUR 450,000 in Brite Drinks Ltd, a UK-based startup founded by Lithuanians specializing in natural functional drinks. The investment grants Akola Group a minority stake and a seat on the company's board. Brite Drinks produces healthy, nootropic-based beverages designed to enhance cognitive function, free from added sugars, sweeteners, and preservatives.



2023/24 In Numbers

INPUTS



4,959
employees



19,072 ha cultivated /
6,217 ha own
land



58 M
broilers
raised



3,226
dairy
cows



203 thous. t.
feed purchased



12.83 thous. t.
packaging



10.9 thous. t.
fertilizers
used



260.4 GWH
natural
gas



92.1 GWH
electricity



70 GWH
Fuel
(diesel and
gasoline)

OUTPUTS

PRODUCTS & SERVICES*



100 thous. t.
poultry and its
products sold



38 thous. t.
milk
production



19.7 thous. t.
instant food



1.5 million t.
grain export



300 thous. t.
compound
feed sold



32/35 thous. t.
seeds
prepared/sold



44 thous. t.
flour and baking
mixes sold



128 thous. t.
harvest



11 thous. t.
pet food sold



15.9 thous. t.
plant care products
sold
299 thous. t.
fertilizers sold



Revenue
86 M EUR-
agricultural
machinery sales,
rent, service



Revenue
8.6 MEUR -
installation of
farming
equipment

FINANCIAL RESULTS



1,506 MEUR
revenue



73.5 MEUR
EBITDA



158 MEUR
accrued wages
incl. taxes



6.2 MEUR
income tax paid



197 MEUR
market
capitalisation



4.4 MEUR
subsidies received



4.2 MEUR
dividend
pay-out

NEGATIVE OUTPUTS



137.7 thous. t.
scope 1
ghg emissions



2.48 thous. t.
waste directed to
landfill



219 t.
incinerated waste



2.6 thous. t.
recycled waste



0.79
TRIR

NOTE:

*Products and services figures do not exclude intra Group transactions
We do not include evaporation from grain drying process.

The infographic illustrates all volumes of key inputs and our outputs for society, value generation to shareholder and effects on environment.

Our sustainable development is strongly connected to how well we meet the expectations of our key stakeholders, including business partners, employees, shareholders, regulators, and local communities. By addressing their expectations and grievances, we ensure our business activities align with sustainability goals, enhance relationships, and drive long-term success.

STAKEHOLDER ENGAGEMENT PROCESS

Benchmarking: Assessing best practices in the industry.

Identification: Mapping stakeholders based on their influence and interest in our success.

Engagement: Implementing effective communication channels to gather feedback and address grievances.

Analysis: Reviewing feedback, identifying key concerns, and acting on them.

Our approach integrates stakeholder feedback into our operations, ensuring we meet expectations while staying true to our sustainability and business objectives. Furthermore, by continuously addressing concerns and focusing on responsible practices, we are not only achieving business goals but also creating positive impacts across the entire value chain.

FURTHER STEPS

As we transition to ESRs reporting, we will engage a wider range of external stakeholders, with a specific focus on their concerns about environmental and societal impacts ensuring we derive more value from these interactions and strengthen our ongoing relationships

STAY IN TOUCH

We manage more than 20 social media accounts, operate online shops and run retail business. Let us know your expectation, grievancies and suggestions. Follow our official social media engage with us directly or connect via hot lines.

EXPECTATIONS

OUR ACTIONS



Honest treatment
Career development
Occupational safety
Fair pay
Participation in decision-making

Strengthening dialogue within cross-functional teams.
Providing career growth through personal development opportunities, regular performance reviews, and employee training.
Ensuring transparent and fair salary practices.
Hosting team-building events, fostering a sense of pride



Quality products
Reliable execution of contracts
Transparency
Environmental responsibility
Accountability
Animal welfare

Focus on producing only high-quality, nutritious food products.
Transparent and efficient processes, maintaining open communication.
Active participation in industry events and trade shows.
Setting sustainability goals, focusing on reducing pollution and optimizing packaging



Fair and transparent contracts
Reliable communication
Environmental stewardship

Fulfilling contractual terms in a timely and honest manner.
Actively reducing negative impacts throughout the supply chain.
Promoting responsible use of pesticides and fertilizers.
Ensuring open dialogue with suppliers to meet shared sustainability goals.



Financial return
Operational efficiency
Transparent reporting

Ensuring consistent communication through financial reports, shareholder meetings, and other channels.
Prioritizing risk management, compliance, and CO₂ emissions reduction.
Building trust by maintaining transparency and delivering on financial expectations.



Economic inclusion,
Environmental responsibility
Supporting local development

Strengthening ties with economically stressed communities.
Supporting local initiatives that promote education, health, and agricultural innovation.
Offering financial support to vulnerable groups and fostering community resilience.



Compliance with laws
Timely reporting
Product safety

Full compliance with relevant standards and regulations.
Promoting transparent communication regarding our environmental and social actions.
Regularly evaluating and improving practices to meet the highest regulatory standards.

Our materiality process is fundamental to both our financial and sustainability reporting, serving as the foundation for shaping decisions that matter most to our stakeholders, especially investors. For us, materiality is not just about compliance; it's about identifying the critical topics essential to our long-term success and ensuring we meet our social and legal responsibilities.

Guided by Global Reporting Initiative (GRI) standards, we meticulously assess the significance of each material topic, ensuring alignment with our business continuity and stakeholder expectations. This process allows us to enhance transparency, reinforcing our commitment to sustainability while building trust and support from all those we engage with.

In 2023, our materiality assessment took a deep dive into the issues that matter most to us, informed by both our Lithuanian and Latvian operations. By considering the unique aspects of our activities across these regions, we captured a more holistic view of the challenges and opportunities we face.

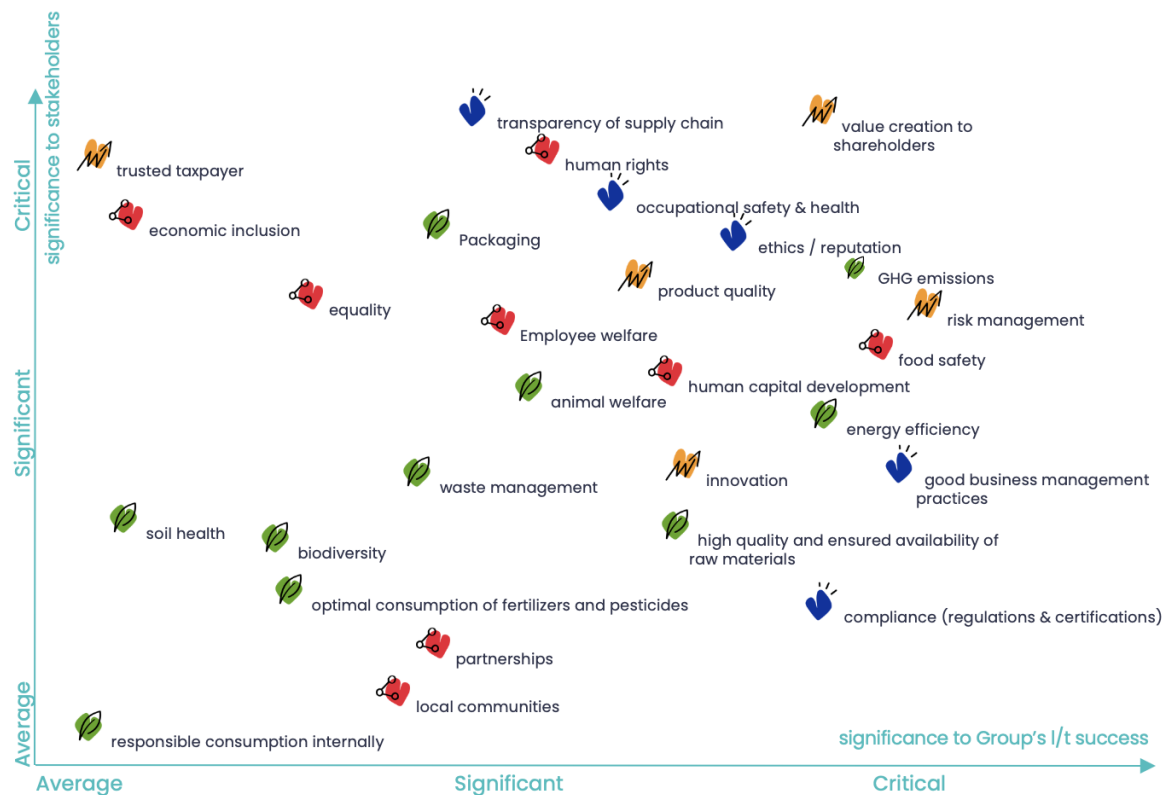
1. Stakeholder Engagement: We strive to have reliable insights on industry-specific challenges, regulatory factors, and emerging sustainability concerns.

2. Identification of Material Topics: Based on stakeholder feedback and industry analysis, we identified and prioritized the issues most significant to our business and sustainability goals.

3. Impact Measurement: We evaluated both qualitative and quantitative impacts, assessing how our resources, emissions, and social contributions affect our employees, communities, and the environment.

4. Sustainability Risk Assessment: We rigorously assessed the risks associated with each material issue, ensuring we are prepared for long-term challenges, particularly in environmental management, compliance, and operational efficiency.

5. Prioritization and Validation: With input from senior leadership, we validated the most critical issues to ensure they align with our strategic goals and long-term sustainability efforts.



This materiality assessment was performed a year ago, and we are now preparing to produce a double materiality assessment in the upcoming reporting period to comply with ESRS (European Sustainability Reporting Standards) requirements. This step will allow us to more comprehensively assess both our impacts on the environment and society, and how these factors influence our business.

- Economic
- Social
- Environmental
- Governance and compliance



Click on UN SDG17 wheel for information on material topics and global agenda

Our Commitments (I)

	COMMITMENTS	MEASURE	UNIT	BASE YEAR 2021/22	2022/23	2023/24	GOAL BY 2026/2027	
SOCIAL	Occupational health and safety	TRIR*		0.78	0.85	0.79	< 0.62 (20% reduction)	
	Employee turnover	Employee turnover ratio (full time employees)	%	55.3 / 35**	26	27	Not more than 35%	
	Employee retention	Employee retention ratio (employees with Group >1Y)	%	90.8	86	90	Higher than 85%	
	Healthier food: Antibiotics usage	Farms / cows: active antibiotic substance per liveweight of cows	mg per 1 kg PCU***		29	17.6 (previously 23)	17.1	Decrease cows antibiotic usage by 25% compared to base year
		Poultry: antibiotics free production share in LV and LT	%		100 and 65	100 and 75	100 and 80	
GOVERNANCE	No tolerance to breaches	number of breaches		0	1	17	0	
	Revision and establishment of new policies	revised policies		no	initiated	ongoing	yes	
	Transparency	Consistency in reporting, annual publishing		yes	yes	yes	yes	
	Whistle blower system (internal & external)	Established and functional whistle blower system		no	initiated	ongoing	yes	



A safe work environment doesn't just protect employees from harm, it also improves morale, productivity, and fosters trust. By lowering the TRIR, we show our dedication to our workforce, leading to a stronger reputation and greater employee satisfaction. Reducing turnover means fewer costs related to hiring and training, while a stable workforce helps maintain institutional knowledge and a sense of community.

Having experienced employees creates stability, which supports both operational efficiency and a positive workplace culture. We also focus on building trust and equitable relationships with local partners through transparency and ethical operations. This helps us create sustainable partnerships and strengthens our reputation in the community. By avoiding legal issues and maintaining ethical standards, we improve relationships with stakeholders.

Active engagement with local communities through support and collaboration on beneficial initiatives builds goodwill and creates mutual growth. It strengthens ties with our operating regions and can open doors for new collaborations and opportunities.

As consumers become more health-conscious and selective about food sources, we aim to lead in sustainable food production. This way increasing trust and aligning with global health standards

PROGRESS

We've made significant strides in improving workplace safety, with a decrease in TRIR and zero fatal accidents. The number of registered incidents dropped from 39 to 34 in FY 2023/24. Turnover rates saw a slight increase, but employee retention improved, now standing at 90%.

RECOGNITION AND STANDARDS

Our dedication to top performance is reflected in AB Kauno Grūdai being named a Top Employer of the Year, underscoring our commitment to employee well-being.

Additionally, several of our operations undergo SMETA audits, ensuring we meet the highest standards of ethical and sustainable business practices.

ANTIBIOTICS

Our farming practices continue to evolve, with a focus on improving animal welfare and feeding conditions. Last year, monensin was wrongly classified as an antibiotic in some farms, even though due to structure of the cattle's digestive tract it has no antibiotic effects for ruminants. This led to an overestimation of antibiotic use, but after correcting the classification, the reported usage was adjusted downward.

Group's Latvian poultry operations do not use antibiotics for a while already. Lithuanian poultry operations have shown further progress, reinforcing our commitment to healthier, sustainable practices.

COMPLIANCE

Over the reporting year, 17 various violations were recorded. The majority (12 violations) and the most significant recorded cases were identified in AB Vilniaus Paukštynas. Read more about the legal processes of AB Vilniaus Paukštynas in 2023/24: [KEY EVENTS](#). Other violations are indicated in the COMPLIANCE section. On a group scale, the total amount of fines reaches EUR2 thous.

*TRIR – Total recordable incident rate (TRIR) = total recordable incidents * 200 000 / total manhours worked

** - including and excluding Kaišiadorių Paukštynas AB

*** - PCU (population correction unit or standardised average weight of animals as per The Veterinary Medicines Directorate)

Our Commitments (II)

	COMMITMENT	MEASURE	UNIT	BASE YEAR	RESULT 2022/23	RESULT 2023/24	GOAL BY 2026/2027	
ENVIRONMENTAL	ENERGY EFFICIENCY	Improving energy efficiency	Energy efficiency as one of investment approval criteria			yes	Prioritised investments improving energy efficiency	
		Regular energy efficiency audits for energy intensive companies	Regularity of energy efficiency audits		yes	yes	At least once per every 4 years	
			Energy consumption per ton of total output*	MWH/t	adj. 0.681 (prev. 0.6)	0.635	0.643	To reflect actual impacts, new improved KPIs for specific product categories to be approved in FY2024/25
	PACKAGING	Increase share of renewable packaging	Renewable packaging % of total packaging	%	45.7	50.1	59.7	50%
	GHG EMISSIONS	Develop low carbon agriculture	N fertilizers application	kg of N2O per Ha (kg CO2eq)	4.26 N2O (1,269kgCO2e)	4.19 N2O (1,240kgCO2e)	4.00 N2O (1,174kgCO2e)	3-5% reduction compared to base year
		Reduce GHG intensity in milk	CO2eq kg per ton of ECM** milk	kgCO2eq/t	378	334	325	5% reduction compared to base year
	WATER	Improve energy mix	Share of renewable energy (Scope 1)	%	1.2	2.4	0.7	at least 25% to be delivered with the results of FY 2027/2028.
Maintain water use intensity		Water use intensity per ton of total output*	m3/t	adj. 3.2 (prev. 2.6)	3.119	3.079	3.2 m3/t	
WASTE	Reduce waste directed to disposal	Waste directed to disposal per ton of total output*	kg/t	adj. 5.868 (prev. 4.7)	5.521	4.071	5% reduction compared to base year	



Energy efficiency has become a critical factor in investment decisions. Future audits are scheduled for 2026, with ongoing feasibility studies focusing on gas and electricity savings.

LOW CARBON AGRICULTURE

The Group continues to optimize fertilizer use through soil testing, crop rotation, and nitrogen-fixing crops, which reduce emissions, particularly nitrous oxide (N2O). In spring 2023, a CO2 credits certification program began on 2,000 hectares of land to explore carbon sequestration and improve soil quality

ENERGY CONSUMPTION

Group was advised by the stakeholders that such universal energy consumption KPI for all product

categories altogether would bring limited value for interested parties, suggesting to establish several separate energy efficiency parameters for main product groups; to align with suggested methodology, Group will aim to estimate potential commitments throughout the coming year

ENERGY MIX IMPROVEMENTS

The Group's leadership identifies the 25% renewable energy (Scope 1) target as its most challenging, due to significant involvement and investment.

Poultry operations, which account for about 70% of the Group's total Scope 1 energy use, are the most energy-intensive, driven by energy demands in bird rearing, slaughtering, production, and freezing. Other contributors include grain-based food and feed production, and energy use in farming

CLIMATE-POSITIVE INNOVATIONS

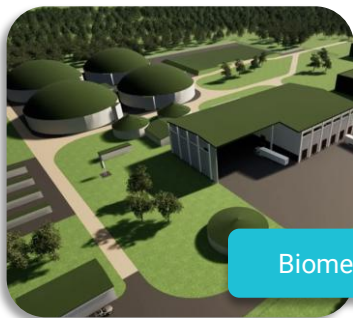
We focus on sustainable farming by promoting advanced agro-technologies, reducing pesticide use, and incorporating organic compounds. Stakeholders can follow agro-innovations and sustainability tips on the company's YouTube podcasts.

FINANCIAL COMMITMENTS

Financial commitments and results are discussed in more detail in the section 3.1 Financial indicators.

*Ton of total output: produced products - poultry meat, flour, flour mixes, compound feed, pet food

**ECM - Energy-corrected milk (ECM) determines the amount of energy in the milk based upon the milk, fat and protein included



Biomethane plants

AB Akola Group is investing in two major biomethane production projects that aim to enhance sustainability and manage organic waste more effectively. They will both play pivotal roles in managing organic waste more effectively, and contributing significantly to Lithuania's green energy transition.

ŠAKIAI DISTRICT BIOMETHANE PLANT

Lukšių ŽŪB, is developing a biomethane plant, expected to be completed by the end of 2025. This facility will produce biogas using manure from the Group's own farms, supplemented by chicken manure from our farms. The biogas, consisting of approximately 60% methane, will be purified and then fed into Lithuania's natural gas grid. The project will be a key contributor to both waste management and renewable energy production, supported by the European Union's NextGenerationEU program and the Economic Recovery and Resilience Facility. The plant will play an essential role in sustainably managing waste and will also significantly boost Lithuania's renewable energy capacity.

KAIŠIADORYS BIOMETHANE PLANT

AB Kaišiadorių Paukštynas is spearheading another major investment with a planned eur19.4m biomethane production plant in Kaišiadorys. This facility, expected to begin operations in the second quarter of 2026, will process 120-140 thousand tons of bio-waste per year, including chicken and cow manure. The plant will generate 85 GWh of renewable energy annually.

UAB DOTNUVA BALTIC SOLAR PARK

Akola Group's subsidiary, UAB Dotnuva Baltic, installed two solar power plants with a total capacity of 0.2 MW on a 5,000 square meter area. These plants are expected to generate 0.214 GWh of electricity in 2024, meeting around 45% of Dotnuva Baltic's electricity needs and 15% for UAB Dotnuva Seeds.

AS KĖKAVA FOODS SOLAR PARK

AS Kekava Foods invested EUR 1.14m in a solar park with a capacity of 2 MW. This solar park is forecasted to produce 1.97 GWh of electricity annually, covering 12.7% of the company's electricity consumption. The investment is expected to save approximately EUR0.25m annually, with a payback period of 2.7-3 years

NEW INSTANT NOODLE FACTORY IN ALYTUS

In 2023, AB Kauno Grūdai began expanding its existing instant food factory in Alytus by adding a new unit, increasing the facility's overall production capacity. This will be the company's second instant food unit and its third production unit in the city. The factory, a EUR 32 million investment, will create 250-300 new jobs, with 96% of its production destined for export markets.

The facility will meet A++ energy efficiency standards and include modern production and storage spaces, employee recreational areas, 22 electric vehicle charging stations, and improved site infrastructure such as access roads and parking.

This project reflects our commitment to sustainable production, regional economic growth, and strengthening Lithuania's food production industry.

SEED FACTORY IN LATVIA

In 2024, AB Akola Group invested EUR 9.5 m to build a new seed factory in Iecava, Latvia. Operated by SIA Dotnuva Seeds, the 4,600-square-meter facility will be operational by mid-2025, producing up to 30,000 tons of cereal and legume seeds annually.

This investment aims to meet growing demand for certified seeds and reduce logistics costs for Latvian and Estonian farmers, complementing Dotnuva's existing facility in Lithuania and boosting seed production capacity in the Baltic region.

EU TAXONOMY

Consolidated overview of the taxonomic activities carried out by AB Akola Group together with its subsidiaries and compliance with the criteria of the Taxonomy according to the main indicators (income, CapEx,OpEx) is provided in the ANNEX IV.



Climate Change Risks

FINANCIAL IMPACTS AND OPPORTUNITIES

OUR ACTIONS

PHYSICAL RISKS

Extreme weather

- Infrastructure damage
- Higher insurance costs
- Supply chain disruption
- Reduced yields
- Damaged crops

Temperature Rise

- Disease and pest proliferation
- Higher cooling costs in poultry/dairy
- Deduced productivity
- Higher livestock mortality rates due to increase in temperature and number of hot days
- Reduced conception rates
- Milk quality decline
- Reduced energy demands for heating of farms
- Increased water demands for cooling of farms
- Possible shift in species of profitable crops
- Increased yields of crops

- Employing sustainable agriculture practices
- Developing precision farming tools
- Assessing and implementing advanced control of the microclimate
- Operating broiler houses at full capacity with bird flocks of uniform size is a common practice, one which enables more accurate control of the microclimate inside the barn and improves efficiency
- Improved Climate Change Scenario analysis
- Promoting climate-positive agriculture innovation in products and services for farms
- Early adoption of low-carbon technologies, renewable energy use, energy efficiency measures
- Build disaster-resilient infrastructure
- Diversify supply chains
- Improve emergency planning
- Investment in cooling systems
- Selecting heat-resistant breeds

TRANSITION RISKS

Regulatory Changes

- Higher compliance costs for emissions
- Financing restrictions related to GHG emissions
- Shift in procurement practices, such as strict environmental assessment downstream the supply chain
- Opportunity to enhance reputation and brand value
- Opportunity to engage with stakeholders consistently

Market Shifts

- Higher input costs due to raw material volatility
- Reduced availability of inputs

Consumer Preferences

- Shift to plant-based products
- Loss in traditional market share
- Opportunity for sustainable goods

Reputation Risks

- Shift in Public and Investor Perception
- Opportunity to enhance brand through sustainability

- Expanding product lines to include sustainable and plant-based products
- Diversify suppliers, switch to alternative feed crops, long-term supply agreements
- Prioritization of energy-efficient investments
- Tracking and implementing sustainable innovations
- Improving livestock productivity in order to reduce GHG emissions associated with milk production
- Vertical integration of feed production business
- Shift to renewable electricity
- Improving energy efficiency

- Improving transparency (regular non-financial reporting)
- Improved accounting of non-financial impacts on environment and society
- Internal education to avoid greenwashing
- Monitoring changes in regulation through supply chain
- Develop assessment metrics for suppliers
- Active engagement with stakeholders

We conducted a qualitative climate change risk assessment following the TCFD (Task Force on Climate-related Financial Disclosures) reporting framework. In the coming year, we plan to quantify the potential risks and impacts to all our business operations, livestock, assets, and all locations, preparing a detailed assessment and mapping of all our assets across locations in the fiscal year 2024/25. Please consult ANNEX III GHG INVENTORY for specific climate change disclosures published by the Group.



	Partners for Farmers			Farming			Food Products			Total Group*		
	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
Biofuel	0	0	0	0	0	0	2.7	8.6	4.5	2.7	8.6	4.5
Renewable Electricity	13.7	13.6	20.9	7.2	3.3	3.4	71.2	69.5	67.3	92.1	86.3	91.7
Natural gas	14.1	19.1	36	0	0	0	246.4	244.8	261.5	260.5	263.9	297.5
Electricity	0.9	0.5	0.2	0	0.1	0	0	0.8	0.3	0.9	1.3	0.5
Diesel for transportation	14.9	12.6	8.2	4.3	3.8	0	20.1	20.7	17	39.3	37.3	25.2
Diesel for heating of elevators	0.6	0.1	0.6	1.8	1.5	2	0	0	0	2.4	1.6	2.5
Diesel in agriculture	0	0.2	0	19.1	25.1	24.5	0	0	0	19.1	25.3	24.5
Petrol for transportation	4.6	2.6	1	0.1	0.1	0.1	2.8	2.8	1.9	7.4	5.5	3
LPG for transportation	0.1	0.1	0	0	0	0	0.6	0.4	0.2	0.7	0.5	0.3
LPG for heat production	4.2	1.5	4.2	1.6	0.5	0.4	29	17.9	0	34.8	19.9	4.5
Heating	0.1	0.4	0.8	0	0	0	0	0	0.1	0.1	0.5	0.9
TOTAL ENERGY USED	53.2	50.7	71.9	34.1	34.3	30.3	372.8	365.5	352.8	460	450.5	455
% of renewable energy	25.8%	26.8%	29.1%	21.2%	9.6%	11.2%	19.8%	21.4%	20.4%	20.6%	21.1%	21.1%

Energy consumption GWh, AB AKOLA GROUP, 2021/22-2023/24
 * Includes 0.2 GWh of energy consumed by companies from others segment

During 2023/24, total energy consumption increased by 9.5 GWh, reaching 460 GWh, up from 450.5 GWh in the previous year. Group-wide, natural gas consumption continued to dominate energy usage, accounting for 56.6% of total energy, or 260.5 GWh. The Food Products segment was the largest consumer of natural gas, using 246.4 GWh, representing nearly 95% of the group's total natural gas consumption. Natural gas remains essential for maintaining production stability, particularly in food processing, where precise temperature control is critical. In sectors like poultry production, where strict biosafety and animal welfare standards must be met, the potential for energy reductions remains limited.

To mitigate the effects of fluctuating gas prices, the group increased its use of LPG for heat production, which rose from 19.9 GWh to 34.8 GWh. This shift helped reduce reliance on natural gas and diversified the group's energy portfolio.

Renewable energy usage increased, with 20.61% of total energy coming from renewable sources, slightly down from 21.07% the previous year. Importantly, 5% of the total electricity consumed was generated by the group's own solar panels, contributing to sustainability efforts. Most of the group's renewable electricity consumption occurred in the Food Products segment, which accounted for 71.2 GWh.

In the Partners for Farmers segment, fuel consumption for transportation increased, with diesel and petrol usage rising due to improved data collection. Additionally, crop cultivation remained a significant contributor to fuel consumption, with sustainable farming practices enhancing efficiency and reducing overall energy use in agricultural operations.



1.52 MWH/T

Energy intensity, instant food, AB AKOLA GROUP 2023/24



2.69 MWH/T

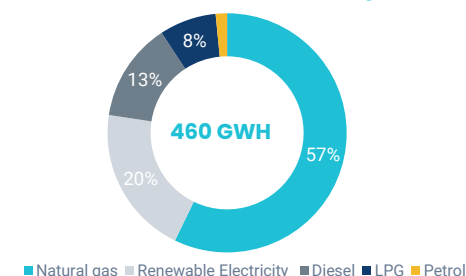
Energy intensity poultry production, AB AKOLA GROUP, 2023/24



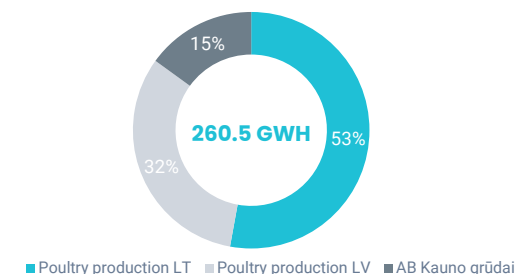
0.09 MWH/T

Energy intensity, compound feed production, AB AKOLA GROUP, 2023/24

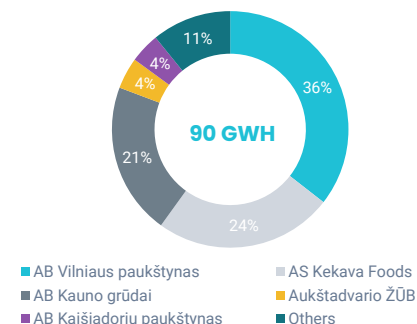
GROUP ENERGY MIX 2023/24



NATURAL GAS CONSUMPTION 2023/24



ELECTRICITY CONSUMPTION 2023/24



Climate Change

	Partners for Farmers			Farming			Food Products			Total Group*		
	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
Scope 1	8.9	7.6	9.8	51.3	54.9	55.0	77.5	72.6	69.0	137.7	135.15	133.8
Scope 2 (location-based)	2.2	2.7	3.1	1.1	0.6	0.7	10.1	12.1	17.1	13.3	15.5	21
Scope 2 (market-based)	0.5	0.3	0.1	0.0	0.03	0.0	0.0	0.4	0.2	0.5	0.7	0.3
Scope 3	311.3	348.5	436.4	23.2	24.2	25.9	207.6	178.3	90.2	542.1	551	552.5
Total (location-based)	322.4	358.8	449.3	75.6	79.7	81.7	295.2	263.1	176.3	693.1	701.6	707.3
TOTAL (market-based)	320.7	356.4	446.3	74.4	79.1	80.9	285.1	251.3	159.4	680.3	686.8	686.6

GHG emissions by business segments, thousand tCO₂eq, AKOLA GROUP, AB, 2021/22 – 2023/24

* Includes 300 tCO₂eq by companies from Other Products and Services segment

Type of key GHG gases	CO ₂	N ₂ O	CH ₄	CO ₂	CO ₂	CH ₄	N ₂ O	CH ₄	HFCS
Source									
	NATURAL GAS AND LPG	SOIL MANAGEMENT	CATTLE ENTERIC GHG	FUEL	DIESEL IN AGRICULTURE	POULTRY ENTERIC GHG	MANURE MANAGEMENT	REFRIGERANTS	
% share in Scope 1 not adjusted for sequestration	43.4 %	17.4 %	14.1 %	8.9 %	3.6 %	6.6 %	4.7 %	1.2 %	
% share in Scope 1 adjusted for sequestration	50.8 %	3.3 %	16.5 %	10.4 %	4.2 %	7.8 %	5.5 %	1.4 %	

Scope 1 GHG emissions by source, thousand tCO₂eq, AKOLA GROUP, AB, 2023/24

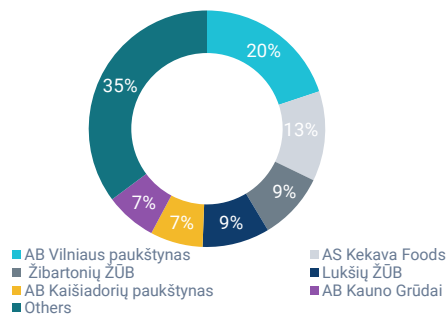
SCOPE 1: Direct GHG emissions occur from sources that are owned or controlled by the Group. GHG emissions not covered by the Kyoto Protocol, e.g., CFCs, NO_x, etc., are not included in Scope 1. Total Scope 1 GHG emissions over the reported period amounted to 137.7 thousand tons of CO₂eq. We estimate that the sequestration of organic carbon in managed soil could account for 21 thousand tons of CO₂eq, which could potentially reduce our Scope 1 emissions down to 117.7 thousand tons of CO₂eq.

Cows: Ruminant GHG emissions account for 15% of the Group's total Scope 1 GHG emissions. We are focused on improving milk production efficiency, successfully lowering GHG emissions below 0.3 tCO₂e per ton of ECM. In 2023, we managed some of the most efficient farms in Lithuania, with Lukšių žemės ūkio bendrovė ranked first and Sidabravo žemės ūkio bendrovė ranked third.

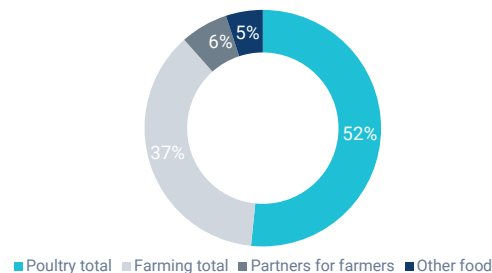
Poultry production emits methane (CH₄) and nitrous oxide (N₂O), especially from manure which amount to 11% of total Scope 1 emissions.

For detailed GHG inventory and methodology, please consult ANNEX III GHG INVENTORY

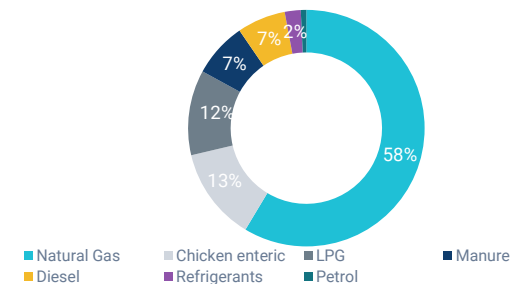
SCOPE GHG EMISSIONS 1 BY COMPANIES 2023/24



SCOPE 1 GHG EMISSIONS 1 BY SEGMENTS 2023/24



SCOPE 1 GHG EMISSIONS BY SOURCE POULTRY 2023/24



*ECM: Energy Corrected Milk is a measure used to standardize milk production based on fat and protein content

	Partners for Farmers			Farming			Food Products			Total Group		
	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
Tap water	37	39	103	1.2	1.4	1.0	121	121	32	159.3	161.7	135.3
Water from well	1	0	0	193	201	187	1,834	1,840	1,784	2,028.4	2,040.4	1,971.5
Surface water	0	0	0	17	10	11	0	0	0	16.9	9.9	10.6
TOTAL WATER	38	39	103	212	212	199	1,955	1,961	1,816	2,204.6	2,212.0	2,117.4

Water withdrawal by source, million litres, AB AKOLA GROUP, 2021/22-2023/24

NOTE:

Not all rented offices have individual waste metering system.
Water embedded in processed materials was not estimated.

In 2023/24, total water withdrawal slightly decreased to 2,204.6 million liters, equivalent to 2.4 Olympic swimming pools daily. 93% of this water came from our own wells.

The poultry sector remains the most water-intensive, accounting for 86% of total withdrawal. Besides water for chicken consumption, we use water to clean poultry houses after each cycle (every 37-42 days).

Water use for cooling livestock, especially chickens, is expected to rise due to increased heat from climate change. Starting with data of 2023/24 FY, we have excluded water supplied to external companies and local residents (previously included in AS Kekava Foods data).

Increased water consumption in the Latvian poultry sector is attributed to higher meat production and increased biosecurity risks, which required more intensive cleaning and washing in both production units and broiler houses. Additionally, to reduce the use of chemicals, more water was utilized in the cleaning process.

Water consumption in Lithuanian poultry operations decreased by about 5% during 2023/24. Water pressure monitoring systems were installed at AB Vilniaus Paukštynas and AB Kaišiadorių Paukštynas, helping detect and repair leaks more efficiently. Over half of Rudamina's broiler drinking systems were upgraded with more efficient models across 18 poultry houses. In AB Vilniaus Paukštynas 80 meters of old piping in the hot water system were replaced to prevent frequent breakdowns. Additionally, a new well was drilled to ensure a steady and reliable water supply, and another well was replaced due to significant wear and tear.

	Partners for Farmers			Farming			Food Products			Total Group		
	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
Untreated directed to third party treatment facilities	26.6	14.9	86.8	2.0	6.0	2.2	152.7	152.7	436.2	181,8	173.6	525.2
Partially treated directed to third party treatment facilities	0.0	0.0	0.0	0.0	0.0	0.0	419.5	384.9	316.9	419.5	384.9	316.9
Completely treated	1.0	1.2	1.2	0.0	0.1	0.0	979.7	901.0	770.9	980.6	902.3	772.1
TOTAL EFFLUENTS	27.6	16.1	88.0	2.0	6.1	2.2	1,551.9	1,438.6	1,524.0	1,581.9	1,460.8	1,614.2

Effluent by type of discharge, AB AKOLA GROUP, million litres, 2021/22 – 2023/24

Dotnuva Seeds, UAB reuses all water in its operations, while AS "Kekava Foods" recirculates water for prewashing plastic boxes and transporting animal byproducts. UAB "Grybai LT" reuses water from vegetable peeling for primary washing and employs a closed system for water reuse in autoclaving. Several companies in the data set have established wastewater treatment facilities to manage pollutants and reduce environmental risks.

Dotnuva Baltic, UAB uses biological wastewater treatment systems with active sludge to process domestic sewage. Oil separators and sand traps are in place to prevent contamination. However, a failure in the system could lead to pollution in the nearby Dotnuvėlė stream.

Kekava Foods, AS operates a biological and chemical wastewater treatment plant at Bauska Poultry Farm. The plant discharges pollutants, including nitrogen compounds and phosphorus, into the river Mēmele. The main risks include surface and groundwater pollution, as well as bad odors affecting the local community.

AB Vilniaus Paukštynas treats wastewater through a three-stage process (mechanical, chemical, and biological) before discharging it into the Rudamina river. Risks associated with the facility include groundwater contamination, odors, and noise pollution.

Domantonių paukštynas, UAB uses a closed-type sewage treatment facility for both domestic and industrial wastewater. The treated water is eventually pumped to the local city's treatment plant. Risks here include odor pollution and potential groundwater contamination.



Dairy and poultry production are circular businesses; virtually all material inputs for the business segment are renewable. In turn, manure is used to fertilize crops which are consequently used as feed for the animals or processed into grain-based products. This closed-loop system minimizes waste and enhances resource efficiency. Additionally, the nutrient-rich manure not only improves soil fertility but also reduces the reliance on synthetic fertilizers, promoting sustainable farming practices. Through this cycle, dairy and poultry farms contribute to a more resilient agricultural ecosystem, balancing productivity with environmental stewardship."

In total, renewable materials (primarily grain) make up 93% of the materials consumed by the group. This section focuses primarily on non-renewable materials used during the reporting period, such as **fertilizers, cleaning agents, and packaging**.

CLEANING PRODUCTS

Cleaning products are essential in poultry farming to prevent viruses and maintain biosecurity. They reduce the risk of outbreaks like avian influenza and salmonella by eliminating pathogens from surfaces and equipment. Regular cleaning limits the introduction of diseases from external sources, improving animal welfare and ensuring food safety.

This year, groupwide cleaning product usage grew to 56 thousand tonnes due to a higher threat of viral outbreaks, particularly in Latvia. Poultry farms implemented extra biosecurity measures, increasing the use of disinfectants to protect their flocks. These precautions have been crucial in preventing disease spread, ensuring safe operations, and maintaining compliance with regulations, safeguarding both poultry health and food quality.

Packaging Material	Partners for Farmers	Farming	Food Products	Total Group
Paper	221.1	0	5,680.6	5,901.7
Wood	115	0	1,661.9	1,776.9
Plastic	2,489.5	12.8	2,615.9	5,118.2
Metal	11.8	0	21.2	33
Mixed	0	0	34	34
Total	2,837.4	12.8	10,013.6	12,863.8
% renewable	11.8%	0%	73.3%	59.7%

Packaging, AB AKOLA GROUP, t, 2023/24

PACKAGING

Poultry products. Poultry packaging materials are designed to ensure safety, freshness, and compliance with regulations. Common materials include:

- Plastic Films: Polyethylene (PE) and Polypropylene (PP) are widely used for their moisture resistance and durability, often in vacuum-sealed or overwrapped formats.
- MAP Films: Multi-layer films used in Modified Atmosphere Packaging (MAP) extend shelf life by controlling oxygen and moisture levels.
- Rigid Trays: PET or expanded polystyrene (EPS) trays provide structure and support for fresh poultry.
- Paper & Cardboard: Used for labelling and additional protection, often combined with plastic for enhanced durability.

With the retail shift towards packaged meat, the need for innovative and efficient packaging solutions is growing. While we seek better ways to ensure safe packaging, it is unlikely that plastic packaging will decline any time soon.

Compound feed. During the reporting period, compound feed made up the majority of our production, with nearly 40% of total output sold in bulk packaging. This accounted for 40% of the total plastic packaging used across the group.

Soups. A new addition to our portfolio, soups and preserves, introduces vegetables and uses a total volume of 45.7 tonnes of plastic packaging. This contributes less than one percent to the total non-renewable packaging consumption groupwide.

Grain based products. The development of more intense value-added product lines, such as flour mixes and instant food, has led to increased use of semi-manufactured foods and additives like dried fruits, vegetables, broth, spices, and sugar. Nearly all of these ingredients are plant-based and renewable. This segment accounts for 65% of paper packaging (mainly for flour), while instant food, despite its more intense use of plastic packaging relative to the weight of the product, only represents 5% of the total plastic used across the group.

FERTILIZERS

Farming. On average, 82% of total feed material was cultivated and prepared internally by our agricultural companies. Over half of the remaining feed was sourced within the Group. The Group's combined agronomic expertise and use of innovative solutions support the sustainable management of crop fields. We continuously strive to improve crop productivity, ensuring better value for society through food production, while minimizing environmental impact. In terms of absolute volume, organic fertilizers, such as slurry and solid manure, made up 90.5% of the total input used for crop production on our fields.



	Hazardous offsite			Non-hazardous onsite			Non-hazardous offsite			Total		
	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22	2023/24	2022/23	2021/22
DIVERTED FROM DISPOSAL												
Manure and sludge	0	0	0	153,724	157,855	209,533	92,644	100,047	39,800	246,368	257,903	249,333
Reuse	0	0	0	93	669	1	581	0	0	675	669	1,000
Recycling	18	1	0	1	324	144	2,643	2,114	1,996	2,661	2,439.10	2,139.8
Other recovery operations	33	86	11	0	0	257	10,518	9,032	7,052	10,551	9,117.60	7,320.4
TOTAL DIVERTED FROM DISPOSAL	51	87	11	153,818	158,848	210,934	106,386	111,193	48,848	260,255	270,128	259,793
DIRECTED TO DISPOSAL												
Incineration (with energy recovery)	3.779	0	0	0	0	0	300.29	562.3	602.7	304.1	562.3	602.7
Incineration (without energy recovery)	25.2	20	66	0	0	0	0	0	1,108.5	25.2	20	1,174.5
Landfilling	96.7	6	73.84	0	0	0	2,485.9	3,268.5	2,050	2,582.7	3,274.9	2,123.8
Other disposal operations	1.35	53	16	0	0	0	1.35	5.1	0	2.7	57.8	15.7
TOTAL DIRECTED TO DISPOSAL	127.0	79	156	0	0	0	2,787.6	3,835.9	3761	2,914.6	3,915.1	3,916.6
Total waste	178.2	166	167	153,818	158,848	210,934	109,173	115,029	10,813	263,170	273,856	263,707
WASTE EXCLUDING MANURE	178.2	166	167	94.0	993.1	1,401.2	16,529.5	14,981.5	12,809.1	16,801.7	16,140.7	14,376.8

Waste generated t, AB AKOLA GROUP, 2021/22 – 2023/24

NUTRIENT CYCLE

The manure from poultry is used as a high-quality fertilizer, which helps in enriching the soil for crop production. This nutrient-rich manure can significantly reduce the need for chemical fertilizers, which are more expensive and environmentally taxing. Similar to poultry, cow manure is an excellent fertilizer that enriches the soil with organic matter and essential nutrients like nitrogen, phosphorus, and potassium.

HAZARDOUS WASTE

In 2023/24, 178.2 tons of hazardous waste were directed to disposal through third party partners. This included 96.7 tons sent to landfills, 25.2 tons incinerated without energy recovery, and 3.8 tons incinerated with energy recovery.

NON-HAZARDOUS WASTE

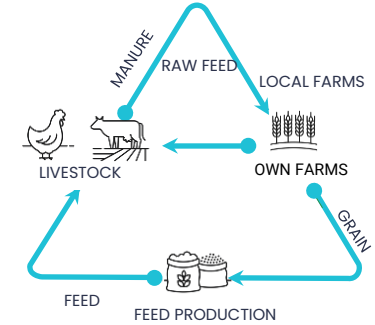
Excluding manure and sludge, 13,742 tons of non-hazardous waste were diverted from disposal offsite. This includes 2,643 tons recycled and 10,518 tons recovered through other operations, such as upcycling and reuse of materials.

SPECIFIC WASTE MANAGEMENT REQUIREMENTS

Specialized containers are used for paper, plastics, hazardous, and general waste. Animal by-products and deceased animals are stored in sealed containers under biosafety rules. Waste is tracked in the GPAIS system, and containers are regularly cleaned to prevent contamination, odors, and pests.

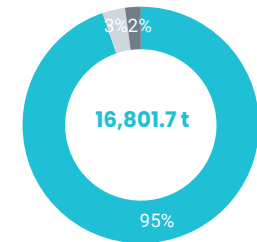
RISKS ASSOCIATED WITH WASTE MANAGEMENT

Improper hazardous waste storage can lead to environmental contamination and health risks for employees. Incorrect sorting hampers recycling and raises costs. Poor organic waste collection causes bacterial contamination, odors, and pests. Leaky containers may pollute soil and groundwater. Failure to document or manage hazardous waste may lead to legal issues and health risks.



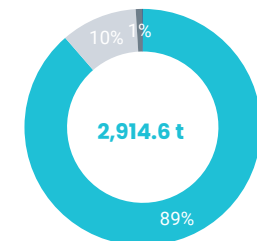
Nutrition loop, AB AKOLA GROUP

WASTE GENERATED BY SEGMENTS 2023/24



Total waste generated t, AB AKOLA GROUP, 2023/24

WASTE DIRECTED TO DISPOSAL 2023/24



Total waste directed to disposal t, AB AKOLA GROUP, 2023/24



FOOD SAFETY

Ensuring food safety is a top priority for the group. Contaminated poultry products can lead to foodborne illnesses such as salmonellosis and campylobacteriosis, posing significant public health risks. Comprehensive preventive measures are in place, with a focus on Salmonella control, one of the leading causes of foodborne illness globally. Salmonellosis, which can cause symptoms like diarrhea and fever, is particularly dangerous for vulnerable populations.

Strict biosecurity measures are enforced across farms and processing plants, ensuring proper hygiene, regular testing, and monitoring at every stage of production. Poultry feed undergoes rigorous testing and heat treatment to eliminate potential contamination. Processing facilities perform Salmonella testing on final products to ensure safety before distribution to consumers.

Packaging solutions also play a role in helping consumers minimize food waste and prepare food safely, reducing contamination risks during storage and cooking.

TRAINING AND EDUCATION

Educational efforts also stress proper food handling, including cooking poultry to safe temperatures and avoiding cross-contamination during preparation and storage.



ANTIBIOTIC STEWARDSHIP

As a leader in antibiotic-free poultry production, AS Kekava Foods for some time already produces 100% antibiotic-free chicken meat in Latvia, in Lithuania this metric accounts to 80% of total. Optimal living conditions for chickens reduce the need for antibiotics, minimizing the risk of antibiotic-resistant bacteria and promoting healthier consumer diets.

TRACEABILITY

Detailed records of each poultry batch are maintained, tracking origin, feed history, health records, processing details, and distribution. This ensures swift and effective responses in case of any food safety concerns.

PRODUCT RECALL

During the reporting period, no food products were recalled due to food safety breaches, reflecting the effectiveness of rigorous quality controls and a commitment to consumer health.

SAFE PRODUCT DESIGN

Food processing machinery in our production sites is designed with user safety in mind, reducing accident risks and contributing to community well-being. Equipment is regularly inspected to meet safety standards and promote responsible use in production processes.

CERTIFICATIONS



- ✓ AS Kekava Foods
- ✓ AB Vilniaus Paukštynas

- ✓ AB Vilniaus Paukštynas
- ✓ Kekava Foods, AS

- ✓ AS Kekava Foods
- ✓ AB Vilniaus Paukštynas:

- ✓ AS Kekava Foods
- ✓ AB Vilniaus Paukštynas

- ISO 22000 Certification:
- ✓ AB Kaišiadorių Paukštynas
 - ✓ AB Kauno grūdai
 - ✓ AS Kekava Foods
 - ✓ AB Vilniaus Paukštynas
 - ✓ AB Kaišiadorių Paukštynas
 - ✓ UAB Šlaituva

- KFC Supplier Approval:
- ✓ AS Kekava Foods
 - ✓ AB Vilniaus Paukštynas
 - ✓ AB Kaišiadorių Paukštynas

- ✓ AS Kekava Foods

- ✓ AB Kauno grūdai

- ✓ AB Vilniaus Paukštynas
- ✓ AB Kaišiadorių Paukštynas
- ✓ AB Zelvė
- ✓ UAB Domantonių paukštynas
- ✓ UAB Alesninkų paukštynas
- ✓ UAB Lietbro

- ✓ UAB Grybai LT
- ✓ UAB Šlaituva

CAPACITY BUILDING

- Training in modern farming and poultry-keeping practices
- Education on grain and flour quality standards for access to international markets
- Workshops on efficient use of machinery and fertilisers
- Making high quality fertilisers available for better crop yields
- Providing quality feed and health products for farm animals, birds and pets
- Producing and distributing flour to ensure availability of staple foods
- Reducing dependencies on imports by empowering local production through quality inputs
- Providing warranties or support services for machinery
- Offering tailored financial solutions to farmers for purchasing seeds, machinery, or fertilisers

STRONGER FARMING SECTOR

The Grūdo kelias project by Linas Agro highlights the application of modern agricultural techniques through regional crop trials across Lithuania. It focuses on precision farming, tailoring solutions to specific soil and climate conditions to optimize crop yields. Farmer involvement is central to the project, with participants invited to observe the trials and learn from the results. An annual event gathers over a thousand farmers, specialists, and suppliers to share insights and foster collaboration.

Grūdo kelias also functions as an educational initiative, helping farmers understand the effectiveness of new farming technologies. Through workshops and demonstrations, farmers gain knowledge on precision farming and sustainable agricultural practices.

SUSTAINABLE FARMING PRACTICES

Soil health: since 2016 applicable sustainable agricultural practices, with emphasis on reduced tillage, cover crops, crop rotation, and organic fertilizers.

CERTIFIED SEEDS

Certified seeds: Foundation of food production; enhances crop diversity and yields.

FOOD LOSS PREVENTION

We provide a full range of tools for rodent control and insect prevention, essential for protecting the food industry. Pests in storage facilities, particularly cereal pests, can cause severe damage, with fumigation available for affected warehouses. Additionally, our disinfection services help prevent mold and microorganisms, ensuring safety in public spaces like schools, hospitals, and food processing plants, as well as livestock and poultry farms.

NUTRITION AND FOOD PRODUCTS

Poultry production: Chicken is a highly efficient and cost-effective source of protein. Broiler chickens are raised quickly and space-efficiently, offering affordable and nutritious meat.

Milk is an essential source of nutrients, providing a rich combination of calcium, vitamin D, protein, and other essential vitamins and minerals. These nutrients support bone health, muscle function, and overall growth, making milk a staple in many diets worldwide.

Affordable staple foods: Production of flour, dairy, and poultry products helps address malnutrition by providing accessible and essential nutrients.

COMMUNITY AND SOCIAL IMPACT

Economic inclusion: Supporting communities in economically stressed areas, creating jobs, and promoting local farming.

GIVING BACK TO SOCIETY

We are honoured and committed to supporting social initiatives that reflect our core values, including:

- Local community development,
- Projects aimed at building a resilient society,
- Farmers' and agricultural organizations,
- Training and educational institutions,
- Programs for children and youth engagement,
- Initiatives supporting vulnerable groups, such as individuals with physical or mental challenges,
- Foster homes and child medical institutions,
- Health and environmental promotion projects,
- And steadfast support for the Ukrainian armed forces.



	Number of Employees*	Full time Employees	Temporary contract Employees	Part-time contract Employees
Female	2,293	95%	174	103
Male	2,608	96%	179	139
Total	4,901	95%	353	242

Employees by type of contract and gender, 30 Jun 2024

NOTE: does not include employee data in OOO KLM (Belarus), Nordic Agro investment Limited, dormant companies or companies under liquidation

Our group employs a total of 4,959 (including OO KLM (Belarus), Nordic Agro investment Limited) individuals, with 4,771 full-time equivalents (FTEs). Of these, 94% are full-time employees, demonstrating a strong reliance on permanent staff. Temporary contracts make up 6.7% of the workforce, while part-time contracts account for 4.6%. The gender distribution is relatively balanced, with 46.8% female employees and 53.2% male employees, indicating near parity in gender representation across the organization.

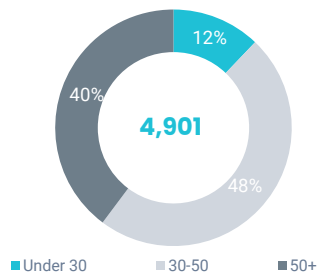
NEWLY HIRED EMPLOYEES

Over the reporting period, we hired 1,401 new employees (a 1.7% increase from 2022/23). Among them, 542 or 38.7% were female hires. The distribution by age was similar for both female and male hires, reflecting a balanced approach to recruitment.

A notable portion of new hires (39% male, 28% female) were under 30 years of age, highlighting our focus on engaging young talent.

Aged 30-50 group constituted the largest share of new hires (40% male, 47% female), indicating a robust workforce in their prime working years.

EMPLOYEES BY AGE 2023/24



EMPLOYEE TURNOVER

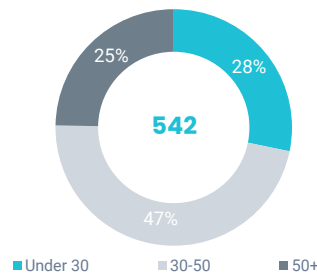
Employee turnover rate refers to the total number of workers who leave a company over a certain time period, divided by the average number of employees. As a result of the reorganization of the Latvian poultry segment, all employees of SIA Lielzeltini, SIA Cerova, SIA Broileks were transferred to AS Kekava Foods. All individuals employed before June 30, 2023, are treated as long-term employees, regardless of their migration within the group.

EMPLOYEE RETENTION

Long-term employees, defined as those working for over 12 months, accounted for 89.5% of the workforce. This means nine out of ten people have been with us for over a year.

Retention rates naturally vary depending on the position and business segment. For example, managers tend to stay with the company longer than line workers, which is viewed as a positive indicator that strengthens our long-term business prospects.

NEWLY HIRED FEMALE BY AGE 2023/24



	2023/24	2022/23	2021/22
Employee turnover rate	27.2%	25.9%	55.3%
Employee retention rate	89.5%	86.1%	90.8%

RENTED WORKERS WHO ARE NOT EMPLOYEES

By the end of the reporting period, we engaged 436 rented workers, all within the poultry division. Additionally, there were 2 self-employed individuals working as part of our own workforce. These workers contribute to maintaining operational efficiency within the poultry sector.

EMPLOYEES WITH DISABILITIES

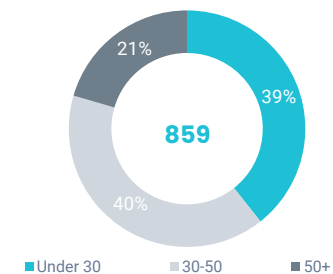
As of June 30, 2024, our workforce included 79 female employees and 43 male employees with disabilities, reflecting our commitment to an inclusive workplace.

FAMILY-RELATED LEAVES

Throughout the year, a total of 980 employees (including 472 women) took family-related leave as mandated by law, and 350 employees utilized family-related sick leave.

Specifically, 42 females took maternity leave, while 15 males took long-term paternity leave. During the same period, 45 women and 5 men returned to work after completing their maternity or paternity leave.

NEWLY HIRED MALE BY AGE 2023/24



HEALTH AND SAFETY POLICY IN OUR GROUP COMPANIES

The Occupational Health and Safety (OHS) policies within our group companies are designed to comply with all relevant regulations and cover both employees and contractors. Our primary goal is to build a safety culture where each individual takes responsibility for adhering to safety guidelines, with a focus on prevention, risk management, and open communication.

Key measures include:

- Regular safety training, tailored to specific industry risks.
- Provision of personal protective equipment (PPE) to reduce hazards.
- Maintenance of working surfaces to prevent slips, trips, and falls.
- Safe chemical storage and ventilation in work areas.
- Frequent inspections of potentially hazardous equipment and workspaces.
- Clear reporting systems for potential health risks.
- Health assessments for employees and resources for maintaining operational safety.
- Employees have the right to refuse unsafe work, with managers responsible for ensuring safety protocols and emergency preparedness.

HEALTH HAZARDS

We operate in sectors with significant hazards, particularly in agriculture and grain handling, where risks include:

- Machinery-related hazards (entrapment, engulfment, and amputation).
- Environmental hazards such as exposure to chemicals, high noise levels, vibration, heat, and stress.
- Musculoskeletal disorders are common due to repetitive movements, improper lifting, and forced postures.

- In poultry processing, risks include slippery conditions, hot surfaces, and potential zoonotic infections.

WORK-RELATED ILL HEALTH AND FATALITIES

- No fatalities or significant recordable cases of work-related ill health were reported.
- The main health issue identified is musculoskeletal disorders, often stemming from physical overload and repetitive tasks.
- A total of 196 days were lost due to work-related injuries and illnesses.

HEALTH PROMOTION

Our companies promote employee health through various initiatives, including:

- Annual health insurance covering medical treatments, rehabilitation, and wellness activities.
- Access to the Stebby platform, which offers wellness options such as sports, swimming, and massages.
- Discounted medical services and wellness activities, including participation in marathons and sports competitions.
- Ergonomic equipment.
- Group sports programs and provision of vitamins (Vitamin C and D) twice a year.

OCCUPATIONAL HEALTH STANDARDS AND ALCOHOL TESTING

- While no formal voluntary OHS certifications are held, we follow strict internal safety protocols.
- Mandatory alcohol testing is implemented in several companies, with random checks conducted before work and during shifts to ensure a safe working environment.

ACCIDENTS AND INJURIES

The main types of work-related injuries include:

- Careless movements
- Falls from height
- Slips, stumbles, and improper foot placement
- Tool-related injuries such as cutting or jumping from machinery
- Bruises and fractures
- Finger strain, collarbone fracture, and knee strain during washing tasks
- Limited space for maintenance work causing injuries.

RATE OF INJURIES

In 2023/24, the total number of incidents decreased to 34 from 39 in 2022/23. Despite a slight reduction in total man hours worked the Total Recordable Incident Rate (TRIR) also showed improvement, dropping to 0.79 from 0.85 in 2022/23.

	2023/24	2022/23	2021/22
Total number of incidents	34	39	32
Total man hours worked per year	8,589,485	9,178,870	8,379,359
TRIR	0.79	0.85	0.78

Total hours worked and rate of injuries, AB AKOLA GROUP, 2021/22-2023/24

TRIR means the total recordable incidents per 200,000 man hours worked.

RENTED WORKERS

Workers who are not direct employees clocked in 1,253,983 hours during the reporting period. Four accidents were recorded among this rented workforce, resulting in injuries.

The Total Recordable Incident Rate (TRIR) for this group is calculated at 0.64, reflecting the safety performance of the rented workforce.



ECONOMIC INCLUSION

Most of our sites operate in economically stressed areas.

We believe that geographic diversity serves local communities and helps building rural resilience:

- Enhanced skills and knowledge
- Creating job opportunities, especially in rural areas, can be a direct way to combat poverty
- Reliable partnerships with local farmers
- Availability of our products within reasonable distance (specialised retail shops)
- Career opportunities: attracting young professionals to rural areas
- Promoting positive and innovative image of farming

EDUCATION

In undergraduate and graduate education, females slightly outnumber males (867 vs. 809), showing higher female representation in advanced academic programs. However, in higher education including college, males almost double the number of females (1,378 vs. 759), indicating male dominance.

A significant gap is seen in professional education, where males (575) greatly outnumber females (85), suggesting men favor vocational or specialized training, while women lean more towards academic tracks.

In secondary education (12 years), males (470) significantly surpass females (51), showing a strong male presence. Similarly, in 9-10 years education, males (446) outnumber females (289), though the gap is narrower.

Overall, women are more represented in higher academic qualifications, while men dominate at professional, secondary, and college education levels. This reflects differing trends in educational paths, with women more focused on higher education and men leaning toward mid-level or professional qualifications.

STRUCTURE

	TOP management	Management	Specialists	Line workers
Female	8	156	636	1,493
Male	43	218	615	1,732
Total	51	374	1,251	3,225

Employees by positions and gender, AB AKOLA GROUP, 2023/24

In TOP management, women represent 15.7% of the workforce, with 8 female leaders out of a total of 51 positions. In the management category, the gender gap is narrower, with women making up 41.7% (156 out of 374). Among specialists and line workers, women hold 50.8% and 46.3%, respectively, indicating a more balanced representation in non-leadership roles.

COMPENSATION

	Under 30	30-50	50+	Total
Female	1,932	2,183	1,745	1,967
Male	2,013	3,044	2,554	2,735
Total	1,983	2,650	2,139	2,373

Average monthly compensation by age and gender, AB AKOLA GROUP, 2023/24

Among specialists, employees aged 50+ earn slightly more than those aged 30-50, reflecting a smaller but noticeable increase in pay with experience. For Management, employees in the 30-50 range earn an average of EUR 4,744, with compensation increasing modestly for the 50+ group. Line Workers show relatively stable pay across age groups, with the 30-50 group earning EUR 1,836, indicating that while experience is rewarded, the difference in pay is more subtle for non-senior roles. In Top Management, the compensation reflects the higher responsibilities and typically long tenure, with employees aged 50+ earning EUR 11,946 on average, significantly more than their EUR 9,821 counterparts in the 30-50 age group.

PAY GAP

The gender pay gap remains consistent at 26% in Top Management, Management, and Specialist positions, indicating that women earn 26% less than their male counterparts on average across these categories. Among Line Workers, the gap is slightly smaller, at 22%. This reflects a relatively uniform pay disparity across different roles, with a modest reduction at the operational level.

CHALLENGES

Addressing the gender pay gap is challenging, especially with long-term employees and managers who have secured higher positions and established pay. Adjusting compensation fairly while maintaining these structures requires careful planning, along with a focus on transparency and equal opportunities for progression.

FEEDBACK

A total of 2,746 employees, representing 55% of the workforce, underwent formal performance reviews. Female participation was slightly higher at 58%, compared to 53% for males. This increase is largely due to the efforts of Kekava Foods, where nearly all employees received formal performance feedback.

HUMAN CAPITAL DEVELOPMENT

Over the reporting period, we registered a total of 139,000 hours of formal training, with male employees receiving an average of 16 hours and female employees 14.5 hours. Management and Specialist roles received the largest portion of training across the group. UAB Grybai LT and AB Kauno Grūdai led in training for line workers, with averages of 14 and 11 hours respectively.



REGULATORY ENVIRONMENT

Besides general regulations applied for all businesses, the European Union (EU) enforces a comprehensive regulatory framework to ensure food safety, animal welfare, and compliance in agricultural and food production sectors. Veterinary oversight is critical at every stage, ensuring the health of animals and the safety of food products.

In dairy farming, regulations like the EU Animal Welfare Directive and Veterinary Medicinal Products Regulation require the ethical treatment of animals and strict controls on medicine use. Veterinarians are responsible for regular inspections and ensuring that dairy products meet safety standards.

The poultry industry, from hacking to processing, is one of the most strictly regulated sectors. Veterinary compliance ensures biosecurity, disease prevention, and hygiene. Regular health checks, vaccinations, and proper processing practices are enforced to ensure food safety.

Crop cultivation is regulated under the Common Agricultural Policy (CAP) and the Sustainable Use of Pesticides Directive, with veterinary professionals ensuring that chemical use does not adversely affect livestock or food safety.

In segments like instant food production, fertilizers, pesticides, and compound feed, veterinary supervision plays a key role in managing risks. Compliance with EU food safety laws ensures that products, especially those involving animal-based ingredients, are safe for consumption and free of contaminants.

In addition, we operate water wells, effluent treatment facilities, farms, energy-intensive elevators, factories, and other food processing units, which makes us responsible for managing all potential adverse impacts and ensuring proper risk management practices are followed.

INTERNAL AUDITS AND ASSESSMENTS

We estimate that group-wide, more than 400 internal and external assessments and audits are performed yearly. These include a variety of critical areas such as:

Occupational safety: Regular checks on workplace safety, dangerous machinery, state labour inspection, and fire safety.

Environmental audits: Annual environmental permit reviews, waste management, air and water emissions monitoring, and inspections by the Government agencies.

Energy Efficiency Audits: Regular ISO 50001 audits, including internal assessments and external recertifications.

Veterinary Audits: Focus on ensuring hygiene in birdhouses and regular FVS visits for food safety.

Quality Audits: Comprehensive internal and external audits for certifications like BRC, FSSC, and Halal. Supplier audits and product quality checks are conducted regularly, along with hygiene and laboratory inspections.

Organisation Development and Sustainability: Sustainability evaluations and compliance with stakeholders' requests.

Technical and Metrology Audits: Includes inspections of gas station tanks, measurement tools, water meters, and grain dryers. Regular calibration of equipment ensures operational safety and compliance.

These audits help us maintain high standards across safety, environmental management, product quality, and operational efficiency.

CHALLENGES

AB Vilnius Paukštynas: the Environmental Protection Department identified three violations for air pollution, five for waste management, one for unregistered pollution sources, and one for unmarked pollution sources at Vilnius Paukštynas. A mandatory order to stop pollution from source No. 082 was not fulfilled, and legal proceedings are ongoing. Other orders at AB

Vilnius Paukštynas, including waste registration and inventorying rooftop axial fans, have been fulfilled.

Food safety: AB Kauno Grūdai, has issued a recall for pet food products due to increased levels of enterobacteria found in raw materials (poultry meat and bone meal) and in the final products.

AS Kekava Foods: 1. Exceeded EU limits for Campylobacter in chicken neck skin. 2. Exceeded EU limits for Salmonella in chicken neck skin.

AB Vilnius Paukštynas recorded three Salmonella breaches

Social: UAB Dotnuva Baltic: CEO of the company had not undergone mandatory checks of his knowledge in the field of employee safety and health. The inspection also revealed that the risk assessments at the company were not updated across all divisions.

GROUP POLICIES

Our goal is to become a key player in advancing agriculture in the Baltics and a leader in the food industry, while also being recognized as an attractive employer. We strive to achieve these objectives through ethical and transparent business practices, along with a strong commitment to people, the environment, and society.

Scope of application: AB Akola Group and its subsidiaries. Exception: The Dividend Policy, Remuneration Policy, and Equal Treatment Policy apply exclusively to AB Akola Group.

The Group maintains a zero-tolerance approach to violations of Corporate Policies and encourages reporting of any breaches through the designated email addresses provided in each policy.

[Click here to discover more](#)



KEY FINANCIAL DATA	UNIT	2023/24	2022/23*
Revenue	thous. EUR	1,506,238	1,999,617
Gross profit	thous. EUR	151,116	130,330
Gross profit margin	%	10.03	6.52
EBITDA	thous. EUR	73,547	62,407
EBITDA margin	%	4.88	3.12
Operating profit	thous. EUR	46,096	33,853
Operating profit margin	%	3.06	1.69
Earnings before taxes EBT	thous. EUR	26,991	18,121
Earnings before taxes margin	thous. EUR	1.79%	0.91%
Net profit	thous. EUR	24,913	14,324
Net profit margin	thous. EUR	1.65	0.72
Grants received for agriculture activity	thous. EUR	4,083	5,115
Grants for poultry activity	thous. EUR	235	1,675

GROUP CAPACITY	UNIT	2023/24	2022/23
Employees	persons	4,959	4,956
Total hours worked	thous. hours	8,589	9,179
Arable land (ha)	ha	19,072	19,229
Own land (ha)	ha	6,217	6,074
Total cattle	headcount	7,398	7,434
Dairy cattle	headcount	3,226	3,264
Broilers raised	million birds	58	49.8
Size of parental flock	headcount	424,466	479,443

INPUTS	UNIT	2023/24	2022/23
Grain consumed for production	tones	333,867	368,273
Feed for livestock (cattle and birds)	tones	83,040	81,872
Semi-manufactured food and additives	tones	40,087	28,945
Plastic packaging	tones	5,118	7,165.8
Paper packaging	tones	5,902	6,317
Metal packaging	tones	33	167
Wood packaging	tones	1,777	1,055
Raw meat	tones	17,070	29,357
Food oil	tones	18,281	10,187
Fertilisers	tones	10,940	9,490
Plant protection	tones	72.5	167
Seeds	tones	2,180	2,145

ENERGY CONSUMED	UNIT	2023/24	2022/23
Natural gas	GWH	260.5	264
Diesel for transportation	thous. litres	3,933	3,726.3
Petrol for transportation	thous. litres	853.9	613.9
Diesel for agriculture	thous. litres	1,975.8	2,514
LPG	thous. kg	9,627	2,895
Diesel for heat production	thous. litres	240.4	156.0
Certified green electricity	Gwh	92.1	86.3
Not certified electricity	Gwh	0.9	1.3
Heating purchased	Mwh	0.14	0.45

SOCIAL EFFECTS		2023/24	2022/23
Wages and salaries and social security	thous. EUR	157,814	143,493
Income tax (paid)	million EUR	6.2	9.5
TRIR		0.79	0.85

INTENSITY OF EMISSIONS	UNIT	2023/24	2022/23
SCOPE 1 emission per employee	tCO ₂ eq	27.8	27.8
SCOPE 1 emission million Eur (revenue)	tCO ₂ eq	91.4	67.6
SCOPE 1 emission ton ECM	tCO ₂ eq	0.325	0.334
SCOPE 1 emission poultry meat (live weight)	tCO ₂ eq	0.585	0.555
SCOPE 1 emission ton of wheat	tCO ₂ eq	0.242	0.252
SCOPE 1 emission ha arable soil	tCO ₂ eq	1.174	1.240

PRODUCTION OUTPUT	UNIT	2023/24	2022/23
Compound feed	thous. t.	296.0	261.6
Flour and mixes	thous. t.	65.6	64.8
Raw milk (ECM)	thous. t	39.0	37.3
Harvest	thous. t	120.0	109.7
Poultry meat live weight	thous. t	120.0	118.2
Pet food	thous. t	10.7	11.1
Instant food	thous. t	19.7	21.5
Breadcrumbs	thous. t	9.8	9.8
Soups and preserves	thous. t	2.1	-
Seeds	thous. t	31.6	27.6
Cattle meat	thous. t	1.2	1.2
Other	thous. t	0.3	2.7

ENVIRONMENTAL EFFECTS	UNIT	2023/24	2022/23
Scope 1 GHG emissions	thous tCO ₂ eq	137.7	135.2
Scope 2 GHG emissions (market-based)	thous tCO ₂ eq	0.5	0.7
Scope 3 GHG emissions	thous tCO ₂ eq	542.1	551
CO ₂ sequestration in soil	tCO ₂ eq	-21,479	-21,584
Waste directed to disposal	tones	2,914.6	3,915.1
Waste directed from disposal	tones	260,255	270,128

* retrospective correction of 2022/2023 figures was carried out in relation to application of IFRS 13 Fair Value Measurement; detailed information about the implemented changes and their influence on individual articles of the statement of financial position and statement of profit and loss and other comprehensive income is provided in Note 2.22 of the consolidated and the Company's annual audited financial information.

AGRICULTURAL MACHINERY



FARM EQUIPMENT



GRAIN CLEANING, DRYING, AND STORAGE FACILITIES



ADJUSTABLE DRAINAGE SYSTEM



SEEDS



PLANT CARE PRODUCTS, FERTILISERS



VETERINARY PHARMACY & SUPPLEMENTS



Group companies are fostering close relations with a wide array of world-class producers. Our extensive network allows us to offer the best possible solutions for the needs of local farmers and agricultural companies.

ACCOUNTING PRINCIPLES

This marks our third consecutive year of conducting consolidated GHG emissions accounting, following the guidelines set by the Greenhouse Gas Protocol.

Relevance

We conducted an in-depth analysis of the Group's entire value chain to ensure that the GHG inventory accurately represents all Group-related activities and emissions. Detailed descriptions of these activities can be found in our sustainability report.

Completeness

All GHG emission sources and activities within the defined inventory boundary are fully accounted for and reported. The underlying contextual information for all reported results is provided, and any exclusions along with their justifications are clearly listed.

Consistency

We apply consistent methodologies to facilitate meaningful year-over-year comparisons of emissions data. All emission factors and relevant indicators are thoroughly documented to ensure reliability.

Transparency

We address all pertinent issues in a factual and coherent manner, utilizing relevant activity data. Our methods and assumptions used in the accounting process are disclosed, and we assess the reliability of the results.

Accuracy

Final results are quantified in a comparable format and reported in standardized units (tCO₂ equivalent).

Accounting approach

We account for 100% of GHG emissions from operations controlled by the companies included in this report.

SCOPE 1: DIRECT EMISSIONS

Direct emissions and sequestration occur from GHG sources or sinks within the Group boundaries and are owned or controlled by the organisation.

KEY DIRECT EMISSIONS WITHIN THE GROUP

CO₂ (carbon dioxide) emissions occur from direct combustion of fossil fuels (natural gas, diesel, LPG, petrol) by stationary and mobile machinery.

HFC (hydrofluorocarbon) emissions are direct results of cooling, refrigeration, and freezing of production, mainly occurring in poultry processing processes.

N₂O (nitrous oxide) emissions are the result of application of chemical nitrogen fertilisers and manure to agricultural soils.

CH₄ (methane) emissions are directly related to livestock (ruminants and birds) enteric fermentation process and manure management.

SOC (soil organic carbon) sequestration (trapping of carbon within soil) is a result of farming practices in an attempt to reduce environmental effects of crop production process.

HFC (hydrofluorocarbon) emissions are direct results of cooling, refrigeration, and freezing of production, mainly occurring during poultry processing.

STATIONARY COMBUSTION

The Group operates a network of 25 modern grain storage facilities, which includes 19 facilities in Lithuania and 6 in Latvia, farming companies also run their own grain drying and storage facilities. Poultry business is responsible for 85% of natural gas consumption within the Group.

Reliability: high. Data collected directly from company records.

Source	Unit	Quantity	tCO ₂ eq
Natural gas	MWH	260,491.68	50,040
Diesel	1000 l	240.4	604
LPG	1000 kg	3,275.1	9,635
Total			60,279

GHG emissions from stationary machinery AB AKOLA GROUP, 2023/24

MOBILE COMBUSTION

The direct emissions from mobile sources are divided into two key categories: fuel consumed for agricultural production and other activities, such as transportation of products and inputs by tractors and vehicle owned and/or leased by the Group companies.

Reliability: high. Data collected directly from company records.

Source	Unit	Quantity	tCO ₂ eq
Diesel in agriculture	1,000 l	1,975.8	6,315.2
Diesel for other activities	1,000 l	3,933.8	9,884.8
Petrol	1,000 l	853.9	1,779.9
Total			17,979.9

GHG emissions from mobile machinery, AB AKOLA GROUP, 2023/24

EMISSIONS FROM COOLING AND FREEZING

We account for industrial use of refrigerants in poultry production. Refrigerants used for cooling our offices and vehicles are procured as a service and not included in Scope 1 calculations.

Reliability: high. Data collected directly from company records.

Source	Unit	Quantity	tCO ₂ eq
Refrigerants	t	0.959	1,588
Total			1,588

GHG emissions from refrigerants, AB AKOLA GROUP, 2023/24

N₂O (NITROUS OXIDE) EMISSIONS

Direct emissions from managed soils: the method is based on Chapter 11, N₂O emissions from managed soils and CO₂ emissions from lime and urea application, of the IPCC Guidelines for National Greenhouse Gas Inventories (GNGGI). The assessment of soil emissions considers, to some extent, soil types and climate.

Reliability: moderately high. Data collected directly from company records.

Source	Unit	Quantity	tCO ₂ eq
Application of chemical fertilisers	t	10,935	17,880
Emissions from residuals			6,016
Total			23,896

GHG emissions from managed soils, AB AKOLA GROUP, 2023/24

* The composition of all fertiliser was broken down to estimate the actual content N (Nitrogen) based on composition declared by manufacturers.

DIRECT EMISSIONS FROM LIVESTOCK

Methane is produced by animals as a result of enteric fermentation, a digestive process by which carbohydrates are broken down by microorganisms into simple molecules. Digestive systems and feed intakes are two major parameters influencing the rate of methane emissions.

The assessment of GHG emissions from enteric fermentation is based on the IPCC, Tier 2 simplified method for all livestock categories.

The rate of methane emissions depends on diet (DMI/day), gross energy (MJ/day), and a methane conversion factor per animal, and the type of diet.

Globally, cattle is the leading methane emission source, poultry is not a major contributor to emissions from enteric fermentation emissions.

The reliability of CH₄ depends on an organization's ability to compile data on dry matter intake per animal as well as other parameters, such as animal weight and days spent grazing etc.

All relevant data can be tracked back to company records; thus, the reliability of CH₄ calculations is estimated to be high.

Direct N₂O emissions from the treatment and storage of manure are estimated with the IPCC method, Tier 2.

Reliability: high. Data collected directly from company records.

Source	Unit	Quantity	tCO ₂ eq
All ruminants*	Animal	6,307	19,418
Poultry	Animal	51,093,739	9,867.2
Manure management			8,702
Total			37,987.2

GHG emissions from livestock, AB AKOLA GROUP, 2022/23

* Average headcount of cattle (cows, bulls, heifers)

GHG SEQUESTRATION

Soil organic carbon (SOC) is the balance between plant inputs and biologically mediated losses. The amount of SOC is so large compared to anthropogenic CO₂ fluxes to the atmosphere that small changes in the SOC pool could have a major impact on the concentration of CO₂ in the atmosphere (Cox et al., 2000; Crowther et al., 2016).

The methodology for the estimation of GHG sequestration is mostly based on the IPCC guidelines for national greenhouse gas inventories – Volume 4: Agriculture, forestry and other land use.

The precise estimation of annual change in carbon storage is an extremely complex multilevel exercise requiring detailed investigation, testing, and analysis of specific crops' ability to absorb and soil's capacity to retain CO₂ from the atmosphere.

Our estimate is based on the IPCC guidelines, taking into account the changes in soil management practices and Tier 2 specification level of soil. Calculating total possible sequestration volumes, we assumed the worst-case scenario, thus we are confident the estimated amount is a conservative representation of change in CO₂ sinks in soils managed by our companies.

Reliability: low. No sampling of soil nor crops were performed.

Source	Unit	Quantity	tCO ₂ eq
Change in SOC in soil	ha	19,072	-21,479
Total			-21,479

GHG sequestration, AB AKOLA GROUP, 2023/24

SCOPE 2

Scope 2 represents emissions that our companies caused indirectly when the energy we purchased is produced by third party providers.

Estimating location-based GHG emissions for electricity consumption, we apply emission factors published in 2023 European Residual Mix.

GHG emissions related to acquired heating energy are estimated based on supplier-specific emission factors.

Below, we present GHG calculations for Scope 2, the location-based amount of CO₂ for green electricity represents avoided GHG emissions by switching to clean energy consumption in all production and virtually all administrative sites operated by the Group.

Since our fiscal year does not coincide with the calendar year, this year we adjusted historical Scope 2 calculations. Now, the historical data reflects emissions based on annual AIB factors, while the current year's emissions are calculated using 2023 factors and will be adjusted once the 2024 factors are known.

Reliability: high. Data collected directly from company records.

Source	Unit	Quantity	tCO ₂ eq
Green electricity (market-based)	GWh	92.1	0
Not certified electricity (market-based)	GWh	0.9	498
Heating (market-based)	MWh	0.1	32
Total market-based			530

Scope 2 market-based GHG emissions AB AKOLA GROUP, 2022/23

Source	Unit	Quantity	tCO ₂ eq
Green electricity (location-based)	Gwh	92.1	13,195
Not certified electricity (location-based)	Gwh	0.9	129
Heating (location-based)	Mwh	0.1	21.1
Total location-based			13,345.1

Scope 2 location-based GHG emissions AB AKOLA GROUP, 2023/24

SCOPE 3

Scope 3 represents indirect GHG emissions that occur because of our operations from sources not owned nor controlled by the Group companies.

Reliable data for Scope 3 emissions can be difficult to obtain, thus we used a variety of generally accepted emissions factors in order to represent the extent of our impacts to the indirect GHG emissions.

Evaluating our supply chain and assessing the materiality of our impact, we identified these Scope 3 categories as relevant to our GHG calculation:

- Purchased materials;
- Fuel and energy related activities;
- Transportation and distribution;
- Waste generated in operations;
- End of life treatment of packaging of sold goods.

EMISSIONS ASSOCIATED WITH PURCHASED MATERIALS

Consistent tracking of consolidated Scope 3 GHG emissions was initiated in 2022.

- Estimating GHG emissions related to packaging we use DEFRA 2024 emission factors.
- GHG emissions from fertiliser production process are estimated based on composition of fertilisers applied.
- Calculating GHG emissions related to grain based products we assume that grain production emission factor are similar to CO₂ emissions per tone of output produced within our Group.

Reliability: average. The supplier specific data was not collected.

Source	Unit	Quantity	tCO ₂ eq
Grain and for production (purchased outside the Group)	t	205,567.6	69,115.7
Soya	t	81,019.3	20,254.5
Cleaning agents and other petrochemicals	t	56,520.5	96,084.9
Food additives	t	40,087.8	12,026.3
Food oil	t	18,281.2	52,920.5
Purchased raw meat	t	17,070.5	59,746.6
Purchased feed	t	15,321.0	4,596.2
Fertilisers	t	10 935.0	17,125.8
Paper packaging	t	5,901.7	4,131.2
Plastic packaging	t	5,118.1	15,950.0
Vegetables	t	2,744.9	960.7
Wooden packaging	t	1,776.9	710.7
Seeds	t	2,180	470.5
Grain products	t	462.7	128.0
Plant protection	t	52.8	89.6
Metal packaging	t	33.0	31.5
Total			354,342.6

Scope 3 GHG emissions from input production, AB AKOLA GROUP 2022/23

FUEL AND ENERGY RELATED ACTIVITIES

We apply DEFRA 2024 emission factors to estimate GHG emissions related to extraction, production, and transportation of fuels and energy consumed within the Group over the reporting period, not already accounted for in scope 1 or scope 2.

Reliability: average. The supplier specific data was not collected.

SOURCE	UNIT	QUANTITY	tCO ₂ eq
Transmission and distribution losses of electricity	Gwh	93.0	1,676.6
Well to tank (natural gas)	1,000 m3	24,464.7	8,235.0
Well to tank (diesel)	1,000 l	6,150.1	3,845.6
Well to tank (LPG)	1,000 kg	3,333.5	1,164.3
Well to tank (petrol)	1,000 l	853.9	495.3
Total			5,416.86

Scope 3 GHG emissions from fuel and energy related activities, AB AKOLA GROUP 2022/23

TRANSPORTATION AND DISTRIBUTION

In order to estimate SCOPE 3 transportation and distribution emissions we used average traveling distances for inputs procured as well as for the goods sold. The table below accounts for third party transportation emissions by:

- Rail transport
- Road transport
- Marine transport

DEFRA emission factors for transportation by different means were employed.

Reliability: average. The supplier specific data was not available.

Source	Unit	Quantity	tCO ₂ eq
Upstream transportation of inputs	tkm	45,197,190	24,590
Downstream transportation of products	tkm	66,505,329	40,430
Transportation of goods for farmers	tkm	3,700,200	21,794
Transportation of grain (trade)	tkm	1,427,600,000	82,965
Total			169,780

Scope 3 GHG emissions from upstream and downstream transportation, AB Akola Group 2023/24

tkm A ton-kilometer, abbreviated as tkm, is a unit of measure of freight transport which represents the transport of one ton of goods over a distance of one kilometer.

WASTE TREATMENT EMISSIONS

We apply DEFRA emission factors to estimate GHG emissions factors to evaluate end-of-life related emissions for waste diverted to disposal assuming no packaging was recycled by our clients.

Reliability: average. The supplier specific data was not available.

Source	Unit	Quantity	tCO ₂ eq
Waste directed to disposal	t	2,925	61.4
End of life for packaging sold	t	12,864	2572.7
Total			2,634

Scope 3 GHG emissions from waste treatment, AB Akola Group 2023/24

EXCLUDED EMISSION SOURCES

Our calculations of GHG emissions are based on materiality criteria: emission sources accounting for less than 1% of total Group emissions are not included.

- Capital goods, such as buildings and other fixed assets: Scope 3 GHG indirect emissions exclude indirect emissions related to processing of materials for buildings.
- We exclude indirect GHG emissions related to materials and processing of owned fixed assets, such as machinery, elevators, farm equipment, etc.
- Investments: We do not add indirect emissions associated with materials and processing activities related to investments.
- Emissions related to employee commuting: 99% of our employees are from local communities; thus, commuting is not material.
- Emissions related to work from home.
- Emissions related to heating/cooling and maintenance of rented offices not controlled by the company.
- Processing of sold goods: We have no capacity to estimate further processing of raw milk, flour products, instant food, poultry meat, etc.
- GHG sequestration by trees, groves, and other CO₂ sinks not used in agriculture.

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

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

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

In this overview, we present consolidated information on the taxonomy-eligible activities of AB Akola Group together with its subsidiaries (hereinafter - the Group) and their compliance with the taxonomy criteria by key performance indicators (Turnover, CapEx, OpEx). The information is provided for the financial year 2023/2024 (hereinafter – FY 2023/2024), starting on 1 July of the calendar year and ending on 30 June of the following calendar year. This overview should be read together with the Group's annual financial statements.

We note that certain terms and phrases in the Taxonomy and its associated delegated acts remain open to various interpretations without official clarification. In this overview, we provide the calculated Taxonomy indicators and elucidate the interpretations applied to meet Taxonomy requirements. It is important to note that future disclosures and the methodology for calculating indicators may be adjusted based on potential new official EU interpretations of the Taxonomy.

Compared to the information provided in the previous Sustainability Report, this report provides a more detailed, updated and expanded description of the taxonomy assessment. For the FY 2023/2024 taxonomy assessment, the Group has taken into account the latest interpretations of the taxonomy, the comments and recommendations made by the Bank of Lithuania to publicly listed companies, and the updated list of taxonomy activities under Delegated Act (EU) 2023/2486. In this report, the Group presents a broader list of activities

that meet the definitions of taxonomy-eligible activities and, for the first time, the calculated taxonomy OpEx indicator.

Identifying taxonomy-eligible activities and calculating indicators

The key performance indicators of the taxonomy - turnover, CapEx and OpEx - are disclosed in template tables (see Tables 1, 2, 3 of ANNEX IV). All key performance indicators related to the taxonomy are weighted and calculated in such a way as to avoid double counting (i.e. activities contributing to several environmental objectives are only included once in the calculation of an indicator). The taxonomy assessment does not include revenues generated, costs incurred or assets acquired as a result of transactions between Group companies.

Turnover

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

The Group's share of activities in terms of revenue in the FY 2023/2024 corresponds to the following taxonomy-eligible activities:

- Lease of owned and right-of-use buildings to third parties - Acquisition and ownership of buildings.
- Collection and transport of non-hazardous waste to prepare it for reuse or recycling (e.g. biodegradable waste from agricultural activities sold for energy production; animal waste sold for use in the production of fertilizers and animal feeds) - Collection and transport of non-hazardous waste in source segregated fractions.
- Operation of railway vehicles (wagons) - Freight rail transport.
- Transportation by M1, N1, L category (passenger) vehicles when they comply with EURO 5 or EURO 6 - Transport by motorbikes, passenger cars and light commercial vehicles.
- Transportation with vehicles of categories N1, N2, N3 (freight) when they comply with EURO 6 Stage E - Freight transport services by road.

The share of revenues from taxonomy-eligible activities is calculated by dividing the revenues from products and services related to taxonomy-eligible activities by the Group's total revenues. For the FY 2023/2024, 0.44% of the Group's revenues were taxonomy-eligible (see Table 1 of ANNEX IV).

Capex

A significant proportion of the Group's capital expenditure (43.76%) relates to the purchase of output from taxonomy-eligible economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions. The capital expenditure for taxonomy-eligible activities is calculated by dividing the investment related to the activities defined in the taxonomy by the total capital expenditure (see Table 2 of ANNEX IV).

Unlike the previous reporting period, where only buildings that were completed and registered in the real estate register were included in the calculation, this period's calculation of capital expenditure for new buildings (taxonomy activity: Construction of new buildings) includes all newly constructed buildings, including those still under construction. For the purposes of this report, the allocation of buildings to the taxonomy-eligible activities Construction of new buildings and Acquisition and ownership of buildings has been based on the definition of a building in the Law on Construction of the Republic of Lithuania (excluding various civil engineering structures which do not comply with the following definition): Building - a roofed structure, the main part of which consists of rooms. According to the most recent definition

of taxonomy-eligible activities, the activity Transport by motorbikes, passenger cars and light commercial vehicles included only cars of categories M1, N1, L (passenger) purchased and/or owned during the reporting period and which comply with the EURO 5 or EURO 6 standard, and the activity Freight transport services by road included only vehicles of categories N1, N2, N3, when they meet the Euro 6 standard stage E.

Part of the Group's capital expenditure in the FY 2023/2024 corresponds to the following taxonomy-eligible activities:

- New buildings under construction (acquisitions) - Construction of new buildings.
- Improvements to owned and right-of-use buildings - Acquisition and ownership of buildings.
- Major renovation of owned and right-of-use buildings - Renovation of existing buildings.
- Acquisition of individual (stand-alone) energy efficiency measures - Installation, maintenance and repair of energy efficiency equipment.
- Acquisition of instruments and equipment for measuring, regulating and controlling the energy performance of buildings - Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.
- Acquisition of solar power plants - Installation, maintenance and repair of renewable energy technologies.
- Acquisition of water collection, treatment and supply systems (e.g. water boreholes) - Construction, extension and operation of water collection, treatment and supply systems; systems renewal - Renewal of water collection, treatment and supply systems.
- Acquisition of equipment for the collection and transport of non-hazardous waste (e.g. purchase of a manure telehandler) - Collection and transport of non-hazardous waste in source segregated fractions.
- Installation of biogas production facilities - Recovery of bio-waste by anaerobic digestion or composting.
- Railway repair - Infrastructure for rail transport.
- Purchase, financing, hire, leasing of M1, N1, L (light) vehicles of categories EURO 5 or EURO 6 - Transport by motorbikes, passenger cars and light commercial vehicles.
- Purchase, finance, leasing of vehicles of categories N1, N2, N3 (freight) when complying with EURO 6 Stage E - Freight transport services by road.

OpEx

The taxonomy's definition of OpEx differs from the definition normally used in financial accounting and covers a much smaller proportion of costs. According to the taxonomy, the denominator includes only direct, non-capitalised costs associated with research and development, building renovation measures, short-term rentals, maintenance and repairs, and all other direct costs that relate to the day-to-day servicing of property, plant and equipment by the enterprise or by a third party engaged for that purpose, and that are necessary to ensure the continued and efficient use of such assets. For the purposes of this definition, the Group's taxonomy OpEx calculation includes only maintenance and repair costs and short-term rental costs.

The Group's operating expenses, as defined by the taxonomy, amounted to EUR 4,839 thousand for the FY 2023/2024. Of these, 4.47% of the Group's operating and sales expenditure was taxonomy-eligible based on the data available for the FY 2023/2024 (see Table 3 of ANNEX IV).

It is important to note that the Group's current accounting system is not designed to readily extract the operating expenses related to taxonomy-eligible property, plant and equipment, and therefore the estimated ratios may be subject to future adjustments.

Some of the Group's operating expenses in the FY 2023/2024 correspond to the following taxonomy-eligible activities:

- Maintenance and repair of owned and right-of-use buildings, cleaning costs, rent - Acquisition and ownership of buildings.
- Major renovation of owned and right-of-use buildings - Renovation of existing buildings.
- Maintenance and repair of individual (stand alone) energy efficiency measures - Installation, maintenance and repair of energy efficiency equipment.
- Maintenance and repair of renewable energy technologies - Installation, maintenance and repair of renewable energy technologies.
- Maintenance and repair of water collection, treatment and supply systems - Construction, extension and operation of water collection, treatment and supply systems.
- Renting (at cost), maintenance and repair of railway vehicles (wagons) - Freight rail transport.
- Maintenance, cleaning and repair of M1, N1, L (light) vehicles of categories M1, N1, L, when complying with EURO 5 or EURO 6 - Transport by motorbikes, passenger cars and light commercial vehicles.
- Maintenance, cleaning and repair of vehicles of categories N1, N2, N3 (freight) when complying with EURO 6 Stage E - Freight transport services by road.

Evaluating alignment with the technical screening criteria

The review of activities according to the taxonomy identified that the Group is engaged in taxonomy-eligible activities and/or invests in taxonomy-eligible measures that can contribute to climate change mitigation and circular economy objectives. The Group has not identified any activities that may contribute to other objectives of the taxonomy. The Group does not currently have a climate change risk and vulnerability assessment completed and therefore activities that are classified as climate change adaptation activities are not included in the expenses of the taxonomy-eligible activities in this report. Some of the information needed to assess taxonomy alignment is not available. Based on the available information, it is concluded that the Group has not carried out any activities that meet the taxonomy alignment criteria for the FY 2023/2024.

In future, the aim will be to provide even more precise information and to take into account the taxonomy criteria when planning investments, so that as much as possible is attributed to environmentally sustainable activities.

The Group meets the minimum safeguards criteria for social and governance sustainability: it has put in place the recommended measures for socially responsible and ethical business as set out in the Organisation for Economic Co-operation and Development's (OECD) Guidelines for Multinational Enterprises, and adheres to the United Nations Guiding Principles on Business and Human Rights.

EU Taxonomy Disclosures

Table 1 of ANNEX IV. Revenue by taxonomy for the FY 2023/2024.

Economic activity	NACE code*	Substantial Contribution Criteria								Do No Significant Harm Criteria								Minimum safeguards criteria	Taxonomy-aligned proportion of revenue 2023/2024	Taxonomy-aligned proportion of revenue 2022/2023	Category (enabling)	Category (transitional)
		Absolute revenue 2023/2024	Proportion of revenue 2023/2024	Climate change adaptation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change adaptation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems							
		Thousand Eur	%	%	%	%	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%					
A. Taxonomy-eligible activities:																						
A.1. Environmentally sustainable activities (taxonomy-aligned)																						
n/a	-	0	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	0%	0%	-	-		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																						
Acquisition and ownership of buildings	L68	72	0.00%																			
Collection and transport of non-hazardous waste in source segregated fractions	E38.11	2 980	0.20%																			
Freight rail transport	H49.20, N77.39	2 537	0.17%																			
Transport by motorbikes, passenger cars and light commercial vehicles	H49.32, H49.39, N77.11	287	0.02%																			
Freight transport services by road	H49.4.1, H53.10, H53.20, N77.12	777	0.05%																			
Total: A.1 + A.2		6 653	0.44%																			
B. Taxonomy-non-eligible activities																						
Revenue of Taxonomy-non-eligible activities (B)		1 509 809	99.56%																			
TOTAL: A + B		1 516 462	100%																			

Note: *The NACE codes in the table correspond to the codes assigned to the taxonomy-eligible activities in the Taxonomy Delegated Acts - these codes do not necessarily correspond to the economic activities carried out by the Group.

TABLE 2 OF ANNEX IV. CAPITAL EXPENDITURE (CAPEX) BY TAXONOMY FOR THE FY 2023/2024

Economic activity	NACE code*	Substantial Contribution Criteria							Do No Significant Harm Criteria							Minimum safeguards criteria	Taxonomy-aligned proportion of CapEx 2023/2024	Taxonomy-aligned proportion of CapEx 2022/2023	Category (enabling)	Category (transitional)
		Absolute CapEx 2023/2024	Proportion of CapEx 2023/2024	Climate change adaptation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change adaptation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems					
		Thous. EUR	%	%	%	%	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No					
operation of water collection, treatment and supply systems	F42.99	87	0.14%																	
Renewal of water collection, treatment and supply systems	E36.00, F42.99	78	0.12%																	
Collection and transport of non-hazardous waste in source segregated fractions	E38.11	119	0.19%																	
Recovery of bio-waste by anaerobic digestion or composting	E38.21, F42.9	1 515	2.39%																	
Infrastructure for rail transport	C25.99, C27.9, C30.20, F42.12, F42.13, M71.12, M71.20, F43.21, H52.21	12	0.02%																	
Transport by motorbikes, passenger cars and light commercial vehicles	H49.32, H49.39, N77.11	3 450	5.44%																	
Freight transport services by road	H49.4.1, H53.10, H53.20, N77.12	2 843	4.48%																	
Total: A.1 + A.2		27 776	43.76%																	
B. Taxonomy-non-eligible activities																				
CapEx of Taxonomy-non-eligible activities (B)		35 692	56.24%																	
TOTAL: A + B		63 469	100.00%																	

Note: *The NACE codes in the table correspond to the codes assigned to the taxonomy-eligible activities in the Taxonomy Delegated Acts - these codes do not necessarily correspond to the economic activities carried out by the Group.

EU Taxonomy Disclosures

TABLE 3 OF ANNEX IV. OPERATING EXPENSES (OPEX) BY TAXONOMY FOR FY 2023/2024

Economic activity	NACE code*	Substantial Contribution Criteria								Do No Significant Harm Criteria							Minimum safeguards criteria	Taxonomy-aligned proportion of OpEx 2023/2024	Taxonomy-aligned proportion of OpEx 2022/2023	Category (enabling)	Category (transitional)
		Absolute OpEx 2023/2024	Proportion of OpEx 2023/2024	Climate change adaptation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change adaptation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems						
		Thous. EUR	%	%	%	%	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No					
Infrastructure for rail transport	C25.99, C27.9, C30.20, F42.12, F42.13, M71.12, M71.20, F43.21, H52.21	1	0.00%																		
Transport by motorbikes, passenger cars and light commercial vehicles	H49.32, H49.39, N77.11	1305	1.20%																		
Freight transport services by road	H49.4.1, H53.10, H53.20, N77.12	1084	1.00%																		
Total: A.1 + A.2		1084	4.47%																		
B. Taxonomy-non-eligible activities																					
OpEx of Taxonomy-non-eligible activities (B)		103488	95.53%																		
TOTAL: A + B		108327	100.00%																		

Note: *The NACE codes in the table correspond to the codes assigned to the taxonomy-eligible activities in the Taxonomy Delegated Acts - these codes do not necessarily correspond to the economic activities carried out by the Group.

DISCLOSURE NUMBER	DISCLOSURE TITLE AND DESCRIPTION	SECTOR STANDARD	PAGE(S)	VALUES/EXTERNAL LINKS
	Statement of use			AB Akola Group has reported the information cited in this GRI content index for the period July 1, 2023 – Jun 30, 2024 with accordance to the GRI Standards.
	GRI 1 used			GRI 1: Foundation 2021
	Applicable GRI Sector standards			GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022
THE ORGANIZATION AND ITS REPORTING PRACTICES				
2-1	Organizational details			AB Akola Group, is a holding company that has a management function only and does not engage in trading or manufacturing activities. Code of legal entity: 148030011 VAT No: LT480300113 LEI code 529900UB9QON717IL030 ISIN code LT0000128092, Ticker in AB Nasdaq Vilnius – AKO1L Subačiaus St. 5, LT-01302 Vilnius, Lithuania
2-2	Entities included in the organization's sustainability reporting			All active companies, apart from OOO KLM, Nordic Agro investment Limited, are included in this report to reflect their impacts, Group companies https://www.akolagroup.lt/en/our-companies/
2-3	Reporting period, frequency and contact point			Annual report for fiscal year Jul 1, 2023 – Jun 30, 2024.
2-4	Restatements of information			none
2-5	External assurance			none
ACTIVITIES AND WORKERS				
2-6	Activities, value chain and other business relationships		77, 78, 100	https://www.akolagroup.lt/en/business-model/
2-7	Employees		78, 92	
2-8	Workers who are not employees	13.21.2		
GOVERNANCE				
2-9	Governance structure and composition		76	https://www.akolagroup.lt/en/management-bodies/
2-10	Nomination and selection of the highest governance body		76	The General Meeting of Shareholders is the supreme body of the company. The Head of the company is also the Chairman of the Management Board is elected by The General Meeting of Shareholders.
2-11	Chair of the highest governance body		76	https://www.akolagroup.lt/wp-content/uploads/2024/04/Darius_Zubas_CV.pdf?x20193
2-12	Role of the highest governance body in overseeing the management of impacts			Direct
2-13	Delegation of responsibility for managing impacts		80	By functional fields
2-14	Role of the highest governance body in sustainability reporting			Approval of strategy, supervision and approval of report
2-15	Conflicts of interest			https://www.akolagroup.lt/wp-content/uploads/2024/10/Darius_Zubas_CV.pdf?x53400 https://www.akolagroup.lt/wp-content/uploads/2024/07/Andrius_Pranckevicius_CV.pdf?x20193 https://www.akolagroup.lt/wp-content/uploads/2024/10/Mazvydas_Sileika_CV.pdf?x53400 https://www.akolagroup.lt/wp-content/uploads/2024/10/Jonas_Baksys_CV.pdf?x53400 https://www.akolagroup.lt/wp-content/uploads/2024/10/Arunas_Zubas_CV.pdf?x53400
2-16	Communication of critical concerns		79	
2-17	Collective knowledge of the highest governance body		76	https://www.akolagroup.lt/wp-content/uploads/2024/10/Darius_Zubas_CV.pdf?x53400 https://www.akolagroup.lt/wp-content/uploads/2024/07/Andrius_Pranckevicius_CV.pdf?x20193 https://www.akolagroup.lt/wp-content/uploads/2024/10/Mazvydas_Sileika_CV.pdf?x53400 https://www.akolagroup.lt/wp-content/uploads/2024/10/Jonas_Baksys_CV.pdf?x53400 https://www.akolagroup.lt/wp-content/uploads/2024/10/Arunas_Zubas_CV.pdf?x53400
2-18	Evaluation of the performance of the highest governance body		76	The Chairman is accountable to The General Meeting of Shareholders.

DISCLOSURE NUMBER	DISCLOSURE TITLE AND DESCRIPTION	SECTOR STANDARD	PAGE(S)	VALUES/EXTERNAL LINKS
2-19	Remuneration policies			
2-20	Process to determine remuneration			Board members are not paid for their duties on Management Board
2-21	Annual total compensation ratio			30.51
STRATEGY, POLICIES AND PRACTICES				
2-22	Statement on sustainable development strategy		81, 82	
2-23	Policy commitments			Group policies: https://www.akolagroup.lt/en/corporate-policies/ Group vision and values: https://www.akolagroup.lt/en/about-us/
2-24	Embedding policy commitments		77, 79, 80, 82, 84,	
2-25	Processes to remediate negative impacts		82, 87	
2-26	Mechanisms for seeking advice and raising concerns		79	Direct, via hotlines, unions, employee councils, social media, The General Meeting of Shareholders, company audits, negotiations, trade shows
2-27	Compliance with laws and regulations			
2-28	Membership associations			ESTONIA: Seed Association, Chamber of Agriculture and Commerce, INTERNATIONAL: Grain and Feed Trade Association (GAFTA), LATVIA: Association for Personnel Management, Chamber of Commerce and Industry, Egg and Poultry Producers Association, Federation of Food Companies, Seed Producers Association, Latvian Association of Agricultural Machinery Manufacturers and Dealers LITHUANIA Klaipėda Chamber of Commerce, Industry and Crafts, Agrochemical Products and Fertilisers' Industry and Trade Association, Association of Agricultural Companies, Association of Planters and Ornamental Plant Growers, Poultry Breeders Association, Association of Shipping Agents and Forwarders, L Cattle Breeders Association, L Association of Grain Processors, L Plant Protection Association, Seed Producers Association, Panevėžys Chamber of Commerce, Industry and Crafts, Several associations for users of drainage systems, Marketing Association, Agricultural Machinery Association
STAKEHOLDER ENGAGEMENT				
2-29	Approach to stakeholder engagement		79	
2-30	Collective bargaining agreements			Applicable to AB Vilniaus Paukštynas and AB Kaišiadorių Paukštynas
DISCLOSURES ON MATERIAL TOPICS				
3-1	Process to determine material topics	13.1.1	79-80	Accordinging to GRI
3-2	List of material topics		80	
3-3	Management of material topics	13.3.1, 13.4.1 13.5.1,13.6.2	77, 81-94	
ECONOMIC PERFORMANCE 2016				
GRI 201:1	Direct economic value generated and distributed	13.22.2	78, 95	
GRI 201:2	Financial implications and other risks and opportunities due to climate change	13.2.2, 13.22.3	84	
GRI 201:3	Defined benefit plan obligations and other retirement plans			n/a
GRI 201:4	Financial assistance received from government		78	EUR4,413,614
MARKET PRESENCE 2016				
GRI 202:1	Ratios of standard entry level wage by gender compared to local minimum wage			n/a
GRI 202:2	Proportion of senior management hired from the local community			100%

DISCLOSURE NUMBER	DISCLOSURE TITLE AND DESCRIPTION	SECTOR STANDARD	PAGE(S)	VALUES/EXTERNAL LINKS
INDIRECT ECONOMIC IMPACTS 2016				
GRI 203:1	Infrastructure investments and services supported	13.22.3	83	
GRI 203:2	Significant indirect economic impacts	13.22.4	91	
PROCUREMENT PRACTICES 2016				
GRI 204:1	Proportion of spending on local suppliers			78.5%
ANTI-CORRUPTION 2016				
GRI 205:1	Operations assessed for risks related to corruption	13.26.2		none
GRI 205:2	Communication and training about anti-corruption policies and procedures	13.26.3		yes
GRI 205:3	Confirmed incidents of corruption and actions taken	13.26.4		none
ANTI-COMPETITIVE BEHAVIOR 2016				
GRI 206:1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	13.25.2		none
TAX 2019				
GRI 207:1	Approach to tax			Our group ensures full tax compliance across all operating countries in the EU, strictly following national laws and EU tax directives, while managing double taxation risks and maintaining transparency.
GRI 207:2	Tax governance, control, and risk management			https://www.akolagroup.lt/en/risk-management/
GRI 207:3	Stakeholder engagement and management of concerns related to tax			We work closely with tax authorities to ensure compliance, timely reporting, and maximum transparency, addressing any concerns or queries effectively
GRI 207:4	Country-by-country reporting			Each company within the group reports to the relevant institutions in their country of registration
MATERIALS 2016				
GRI 301:1	Materials used by weight or volume		88	
GRI 301:2	Recycled input materials use		88	Cardboard.
GRI 301:3	Reclaimed products and their packaging materials		88	No reclaimed products are used in food industry.
	Use of pesticides	13.6.2		The use of pesticides in the EU is strictly regulated by laws like Regulation (EC) No 1107/2009 and Directive 2009/128/EC, ensuring safety, sustainable use, and traceability to company books. Total consumption of pesticides amounted to 89thous liters. (68% herbicides, 29% fungicides, 3% insecticides)
ENERGY 2016				
GRI 302:1	Energy consumption within the organization		78	
GRI 302:2	Energy consumption outside of the organization		85	
GRI 302:3	Energy intensity		85	
GRI 302:4	Reduction of energy consumption		82, 85	
GRI 302:5	Reductions in energy requirements of products and services		85	
WATER AND EFFLUENTS 2018				
GRI 303:1	Interactions with water as a shared resource	13.7.2	87	
GRI 303:2	Management of water discharge-related impacts	13.7.3	87	
GRI 303:3	Water withdrawal	13.7.4	87	
GRI 303:4	Water discharge	13.7.5	87	
GRI 303:5	Water consumption	13.7.6	87	

DISCLOSURE NUMBER	DISCLOSURE TITLE AND DESCRIPTION	SECTOR STANDARD	PAGE(S)	VALUES/EXTERNAL LINKS
BIODIVERSITY 2016				
GRI 304:1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	13.3.2		none
GRI 304:2	Significant impacts of activities, products, and services on biodiversity	13.3.3		Directly - none
GRI 304:3	Habitats protected or restored	13.3.4		none
GRI 304:4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	13.3.5		none
GRI13	Natural ecosystem conversion	13.4		Directly - none
ANIMAL WELFARE				
	Animal health and welfare standards	13.11.2		Animal welfare is a core responsibility for our organization, firmly anchored in EU legislation such as Council Directive 98/58/EC, which outlines the protection standards for animals kept for farming purposes. We are rigorously monitored and evaluated not only by local government agencies but also through thorough audits conducted by our clients, who require various confirming certifications to ensure compliance and best practices in animal welfare. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A31998L0058
EMISSIONS 2016				
GRI 305:1	Direct (Scope 1) GHG emissions	13.1.2	76, 78, 82, 86	
GRI 305:2	Energy indirect (Scope 2) GHG emissions	13.1.3	86, 97, 98	
GRI 305:3	Other indirect (Scope 3) GHG emissions	13.1.4	86, 98, 99	
GRI 305:4	GHG emissions intensity	13.1.5	81, 82, 86	
GRI 305:5	Reduction of GHG emissions	13.1.6	86	
GRI 305:6	Emissions of ozone-depleting substances (ODS)	13.1.7	86	n/a
GRI 305:7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	13.1.8		PM: 393t, NOx: 54.6t, Sox: 4.2t
WASTE 2020				
GRI 306:1	Water discharge by quality and destination	13.8.2	87	
GRI 306:2	Waste by type and disposal method	13.8.3	78, 89	
GRI 306:3	Significant spills	13.8.4	89	
GRI 306:4	Transport of hazardous waste	13.8.5	89	Third party
GRI 306:5	Water bodies affected by water discharges and/or runoff	13.8.6	89	None
ENVIRONMENTAL COMPLIANCE				
GRI 307:1	Non-compliance with environmental laws and regulations		95	
GRI 308:1	New suppliers that were screened using environmental criteria			Limited to food ingredients and requirements by law.
GRI 308:2	Negative environmental impacts in the supply chain and actions taken		none	In alignment with the Regulation (EU) 2023/1115, we have carefully reviewed all product categories potentially affected by deforestation-related risks. Any uncertainty regarding compliance triggers immediate substitution of those product categories. To ensure our supply chain is fully compliant, we work with suppliers who can provide clear and complete documentation proving adherence to the EUDR requirements

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EMPLOYMENT 2016				
GRI 401:1	New employee hires and employees turnover		92	1,401 newly hired employees. Employee turnover 27%, employee retention 90%
GRI 401:2	Benefits provided to full-time employees that are not provided to temporary or parttime employees		92	n/a
GRI 401:3	Parental leave		92	All individuals entitled to childcare, paternity, and maternity leave were granted their full requested time. Specifically, 42 women took maternity leave, while 15 men took long-term paternity leave. During the same period, 45 women and 5 men returned to work.
FOOD SAFETY				
GRI13	Food loss and product recalls	13.10.2	90, 93	
LABOR/MANAGEMENT RELATIONS 2016				
GRI 402:1	Minimum notice periods regarding operational changes			In line with local regulations
OCCUPATIONAL HEALTH AND SAFETY 2018				
GRI 403:1	Occupational health and safety management system	13.19.2	93	
GRI 403:2	Hazard identification, risk assessment, and incident investigation	13.19.3	93	
GRI 403:3	Occupational health services	13.19.4	93	
GRI 403:4	Worker participation, consultation, and communication on occupational health and safety	13.19.5	93	
GRI 403:5	Worker training on occupational health and safety	13.19.6	93	
GRI 403:6	Promotion of worker health	13.19.7	93	
GRI 403:7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	13.19.8	93	
GRI 403:8	Workers covered by an occupational health and safety management system	13.19.9	93	
GRI 403:9	Work-related injuries	13.19.10	78, 81, 93	
GRI 403:10	Work-related ill health	13.19.11	93	
TRAINING AND EDUCATION 2016				
GRI 404:1	Average hours of training per year per employee		94	
GRI 404:2	Programs for upgrading employee skills and transition assistance programs		94	
GRI 404:3	Percentage of employees receiving regular performance and career development reviews		94	
DIVERSITY AND EQUAL OPPORTUNITY 2016				
GRI 405:1	Diversity of governance bodies and employees	13.15.2	76	On the Group level: https://www.akolagroup.it/en/management-bodies/
GRI 405:2	Ratio of basic salary and remuneration of women to men	13.15.3		No basic salary across the Group
	Differences in employment terms and approach to compensation based on workers' nationality or migrant status, by location of operations	13.15.5		None
NON-DISCRIMINATION 2016				
GRI 406:1	Incidents of discrimination and corrective actions taken	13.15.4		None
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016				
GRI 407:1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	13.18.2		No cases identified

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CHILD LABOR 2016				
GRI 408:1	Operations and suppliers at significant risk for incidents of child labor	13.17.2		No cases identified
FORCED OR COMPULSORY LABOR 2016				
GRI 409:1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	13.16.2		No cases identified
SECURITY PRACTICES 2016				
GRI 410:1	Security personnel trained in human rights policies or procedures			n/a
RIGHTS OF INDIGENOUS PEOPLES 2016				
GRI 411:1	Incidents of violations involving rights of indigenous peoples	13.14.2		n/a
	Locations of operations where indigenous peoples are present or affected by activities of the organization.	13.14.3		n/a
	Seeking free, prior, and informed consent (FPIC) from indigenous peoples	13.14.4		n/a
HUMAN RIGHTS ASSESSMENT				
GRI 412:1	Operations that have been subject to human rights reviews or impact assessments			none
GRI 412:2	Employee training on human rights policies or procedures			Informal
GRI 412:3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening			none
LOCAL COMMUNITIES 2016				
GRI 413:1	Operations with local community engagement, impact assessments, and development programs	13.12.2		None
GRI 413:2	Operations with significant actual and potential negative impacts on local communities	13.12.3		All production cites operating under IPPC permits, notably poultry companies.
LAND AND RESOURCE RIGHTS				
GRI #	Locations of operations, where land and natural resource rights may be affected by the organization's operations.	13.12.2		none
	Number, size in hectares, and location of operations where violations of land and natural resource rights occurred and the groups of rightsholders affected.	13.13.3		none
SUPPLIER SOCIAL ASSESSMENT				
GRI 414:1	New suppliers that were screened using social criteria			Limited o declarations or/and code of conduct
GRI 414:2	Negative social impacts in the supply chain and actions take			n/a
PUBLIC POLICY 2016				
GRI 415:1	Political contributions	13.24.2		Prohibited by law
CUSTOMER HEALTH AND SAFETY 2016				
GRI 416:1	Assessment of the health and safety impacts of product and service categories			Routine and specific assessments by local veterianation agencies. Assessments related to external audits and the third party certifications. Internal quality and safety control procedures.
GRI 416:2	Incidents of non-compliance concerning the health and safety impacts of products and services			

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MARKETING AND LABELLING 2016				
GRI 417:1	Requirements for product and service information and labeling			The main legislation for food labeling in the EU is Regulation (EU) No 1169/2011 on the provision of food information to consumers. This regulation ensures that consumers are provided with clear and accurate information about the contents of food products, helping them make informed choices. https://food.ec.europa.eu/safety/labelling-and-nutrition/food-information-consumers-legislation_en
GRI 417:2	Incidents of non-compliance concerning product and service information and labeling		95	
GRI 417:3	Incidents of non-compliance concerning marketing communications			none
CUSTOMER PRIVACY 2016				
GRI 418:1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			none
SOCIOECONOMIC COMPLIANCE				
GRI 419:1	Non-compliance with laws and regulations in the social and economic area		95	