



linas agro

LINAS AGRO GROUP, AB

SUSTAINABILITY REPORT
FOR FY 2022/2023



HELLO FROM OUR CEO



We are farmers' partners, agriculturists, and food and feed producers. All of these activities are part of the food chain. Historically, our oldest activity is services to the farmers. All the activities that have emerged subsequently have successfully complemented the value chain. In 2013, we became not only an agribusiness group but also a food industry group, and in the last two years, we have made substantial progress in the latter activity.

We are confident that we have made the right move by acquiring AB Kauno Grūdai and its related companies in 2021. This has brought us new activities and perspectives, as well as several changes in the corporate and Group structures. We have been working for two years to reorganize our organizational structure so that there are no overlapping activities and functions. We are reducing the number of non-operating companies and merging companies with similar activities. Since the beginning of January, two different grain elevator networks have become one; its silos, warehouses, and grain intake stations can hold 595 thousand tons of grain at a time. At the same time, we have invested in speeding up grain handling and drying operations, automating processes, and optimizing energy costs.

Throughout the reporting period, we have been preparing for a change in the structure of the poultry business group so that in the financial year 2023/2024, all the companies in Lithuania and Latvia would start to operate together as one company. Poultry business needs scale - it is the only way to withstand the price pressure from Polish poultry farms in the immediate vicinity and to operate profitably. At the same time, having a single management structure allows us to be more flexible and to offer a broader range of products to the markets, to fulfill large orders, to maintain uniform production standards, and to expand the production of products that are exceptional or have a higher added value, such as antibiotic-free poultry. We are the first in the Baltic States to label our chicken "Raised without antibiotics". We have been producing products from antibiotic-free broilers in Latvia for several years. In the two years since we acquired the poultry companies in Lithuania, we have increased the percentage of antibiotic-free poultry up to 75%. This is an incredible result, as it took longer to improve the bird welfare in Latvia. However, the experience of our colleagues in Latvia has allowed us to accelerate similar changes in Lithuania. The synergies between the poultry producers in the two countries have shown their value, and we are pursuing them in other

processes. The merger of the companies is a complex process and has been carried out gradually, with part of the management structures being merged in the last financial year, and the other part of the changes being implemented in the financial year 2023/2024. In the new joint Lithuanian-Latvian poultry farming strategy, we are focusing on ensuring the sustainability of our operations.

In each business area, we search for the "diamonds" - the goods or services that can generate the most added value and profitability. In the products and services to farmers business, such a product is the seeds branded under the popular Dotnuva Seeds name. We see the prospect of expanding their production, so we have separated this activity from the company Dotnuva Baltic by establishing new companies in Lithuania and Latvia. In 2024, we will build a new seed factory in Latvia to meet the demand of the Latvian and Estonian markets.

At the same time, Dotnuva Baltic is strengthening its sales and service activities for agricultural machinery and building new farmer service centers in Šiauliai (Lithuania) and Jekabpils (Latvia), which will be operational in the financial year 2023/2024. In addition, a separate company, UAB Dotnuva Rent, has been set up to develop long-term and short-term rental services for agricultural machinery. We have ambitious goals to become one of the leaders in the agricultural machinery rental business in all three Baltic States.

Although extremely efficient, agricultural companies are constantly confronted with the issue of storing and disposing of their organic waste, which is why we invest in biogas production. The farming company Šakiai District Lukšiu ŽŪB plans to start up a biogas plant with biomethane purification facilities in 2025 and connect it to the gas grid. We plan to produce over 3.6 million cubic meters of biogas per year from biodegradable waste, mainly animal manure. At the same time, we will deliver high-quality fertilizer as a by-product of production.

We are also considering other alternative energy projects. The high cost of energy resources has hit our profitability in recent years, and there is an economic incentive to choose more sustainable solutions. During the 2022/2023 financial year, we have revised our investment approval procedures, introducing new eligibility criteria for investments. From the middle of the financial year onwards, we are assessing not only the product's

The financial year that ended was full of challenges, the biggest of which was related to the fertilizer business. However, in a volatile and rapidly changing environment, we have managed to keep the Group's profitability in line with, and at times even above, the historical five-year average.

This year also shows we are on a good track to implement investments and further grow shareholder value.

The divestment of the Russian and Belarusian businesses, started in spring of 2022 and completed in the autumn of the same year, has worsened the performance of several segments, limiting revenues and operating profitability. This is a difficult change that has required tough decisions, but it is inevitable.

We aim to smooth out spikes in financial performance through diversification and increase profit margins. Our portfolio includes four fundamentally different and complementary activities.

HELLO FROM OUR CEO

viability and payback (economic aspects), but also the potential impact on the environment and society. We have decided that all new industrial or administrative buildings must use renewable energy sources - recuperators, heat pumps, solar panels, charging stations for electric cars, etc. Sustainable solutions will be applied first in new production facilities, but gradually in older ones.



We want our employees to actively initiate the Group's sustainability projects, which is why we have the initiative named 'Four Hearts' - covering environmental, social, economic and governance changes.

The first facility to use renewable energy sources and various energy-saving solutions is the Kauno Grūdai instant noodles warehouse in Kėdainiai, which opened in spring. All other facilities under construction or planned will also have multiple energy-saving solutions.

Similar solutions will be implemented in the new instant noodles factory planned to be built in Alytus (Lithuania), with an annual production capacity of 240 million units. Instant noodles are an export product with a growing demand, and million units. At the same time, we will create almost 300 new jobs.

Not only for instant products but also for breadcrumb mixes, the market demand is higher than the supply. In the first half of the 2024/2025 financial year, we plan to launch a new breadcrumb plant in Kėdainiai (Lithuania), which will increase our coating systems production capacity by 125%.

Already after the end of the financial year, we acquired a modern robotic plant in Širvintos (Lithuania), the cooperative company Grybai LT, which is active in the production and sale of ready-to-eat food products and whose main products are organic soups, stews, cereal-based dishes and organic canned vegetables and pulses in packets - around 70 product names. We acquired the business with the idea of expanding production by 3.7 times in 5-6 years, up to 33 million packets per year.

This acquisition broadens our product range and markets and is one of the milestones in our strategy to expand our food production and agri-processing businesses.

We have plenty of ideas - more than possible to implement at a time. I'm proud of our idea-rich and dedicated team - we have people in all our companies who focus their minds on the future: thinking about new things we can create and bring to the market, how we can do it better, how we can improve our business processes, how we can make our business more sustainable, or how we can improve the lives of our neighborhood. Equally noteworthy are the people who collect and analyze the data, who help the Group to be more transparent and to choose the best ways and means to improve sustainability.

To make our shareholding more attractive, we have adopted a dividend policy whereby we will allocate an annual dividend of at least 20% of the Group's consolidated net profit for the previous year. We believe that this policy will not slow down our further growth and will simultaneously meet your expectations as shareholders for an annual return.

Sincerely

Darius Zubas, CEO



ABOUT THIS PUBLICATION

* updated on 13-Nov-2023

This is our second annual sustainability report in accordance with the GRI Standards for the latest fiscal year 2022/23. The Global Reporting Initiative (GRI) offers a robust framework for sustainability reporting, emphasizing the need for organizations to conduct due diligence on their potential and actual impacts. The due diligence process in GRI involves a systematic approach whereby an organization recognizes, prevents, manages, and accounts for its impacts on the economy, environment, and people, including human rights. In line with updates to GRI reporting, we have incorporated the Sector Standard GRI 13: Agriculture, Aquaculture, and Fishing Sectors 2022. This integration with the GRI standards ensures we meet the heightened transparency levels mandated by the GRI. Notably, all impacts and material topics mandated by the new GRI Sector standards had already been identified as significant during our materiality assessment from the previous year. Although there were slight shifts in topic prioritization, no major restatements are required.

We acknowledge the efforts of our team in enhancing both the due diligence and the integration of the sustainability agenda. The process of consolidating sustainability data on a Group level involves coordination across multiple stakeholders, internal departments, and companies and can be extremely complex and challenging. Sustainability, as a reliable measure of our long-term success, is progressively taking on greater significance within our organization. To ensure comprehensive integration, we are working to involve all key decision-makers and data owners as well as enthusiasts and internal advocates.

Adjustments to the previous year's data were made due to refinements in the data collection process and revised methodologies. These adjustments have been noted and detailed in the relevant sections of this report. In the pursue of more accurate representation:

- the effects of food products such as flour, flour mixes and instant food are accounted and represented in the FOOD segment instead of GRAIN, OILSEEDS, and FEED segment as per previous report;
- total output volume was recalculated, mainly due to recorded discrepancies in compound feed quantities, as well as other minor alignments; such recalculation required corresponding recalculation of certain KPI ratios, which were expressed per ton of production.

Linas Agro Group, AB holds a significant role in the local food industry, emphasizing our commitment to delivering affordable, nutritious, and accessible meals. As a principal exporter of locally-sourced grain and oilseeds, we're integrally linked to the global food system, a network that transcends borders and is influenced by global trends and occurrences. With over half of our production directed towards international markets, we recognize the importance of addressing sustainability challenges on both the domestic and global front.

This document highlights the non-financial impacts of Linas Agro Group, AB to our diverse range of stakeholders. The GRI reporting process and the final report have been produced by the independent third-party consultancy, Sustainability.lt. Additionally, our sustainability report aligns with our financial reporting (except for minimal scope discrepancies related with companies not included in this report, please refer to [ANNEX IV](#)) and is based on our Group's fiscal year, only audited data is used in relevant disclosures.

REPORTING PRINCIPLES:

- *Accuracy:* ensuring consistency with evidence, clarity in data measurements, and transparent disclosure of estimations and their associated methodologies.
- *Balance:* transparently showcasing year-on-year trends, clearly differentiating between facts and interpretations, ensuring relevant negative impacts are included, and avoiding undue emphasis on positive outcomes to prevent misleading conclusions by users.
- *Clarity:* organizing information for easy retrieval, using clear language, avoiding jargon, and incorporating visuals and consolidated data to enhance comprehension.
- *Comparability:* using internationally recognized metrics and maintaining uniformity in data measurement and presentation methods. This ensures that data, whether absolute or ratio-based, can be compared, and any changes or restatements are clearly contextualized for the user's understanding.
- *Completeness:* any information essential to comprehending the organization's impacts is disclosed and contextualised.
- *Sustainability context:* Linas Agro Group, AB is the largest vertically integrated agriculture and food business in Baltic States. Our scope of operations has measurable and significant impacts to people and environment. Due to the complex nature of our businesses, we analyse most of the social impacts on Group level, while environmental impacts are more distinguishable on business segment level. To contextualize our impact within the broader frame of sustainable development, we reference authoritative measures, align our report with global sustainability objectives like the UN's Paris Agreement, and adhere to recognized guidelines such as the OECD's directives for multinational enterprises and the UN's human rights principles, while also tailoring our report to various local contexts.
- *Timeliness:* timeliness in reporting requires a balance between prompt availability and maintaining high-quality information that adheres to other reporting principles.
- *Verifiability:* we maintain structured documentation, ensure transparency in decision-making, design systems conducive to external reviews, and substantiate data with evidence or clarify uncertainties.

SUSTAINABILITY TARGETS: we disclose our progress on the sustainability agenda approved last year (2021/22). The reasons behind different paces of improvements are analyzed and disclosed. Our sustainability agenda is approved by key decision makers on board level and is cascaded to the subsidiaries. All commitments and goals are aligned with UN's Sustainable Development Goals.

EXTERNAL ASSURANCE: no external assurance was commissioned for this report.

REPORTING FREQUENCY: we are committed to publish GRI reports annually.

CONTACTS: all stakeholders are encouraged to send us feedback or ask any questions related to the content of this report. Key contact Dovilė Revutaitė, D.REVUTAITE@LINASAGRO.LT

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ABOUT US

VISION

New era of sustainable agriculture and nourishing food.

MISSION

Unlock the potential of agriculture and food industry.

VALUES

or what we want to be

RESPONSIBLE:

Acting sustainably and with a sense of responsibility to employees, the environment, investors, and the community.

DYNAMIC:

We are vibrant optimists - passionate and not afraid to be challenged.

CREATIVE:

We are curious. Aim to make something new and useful or valuable.

COOPERATIVE:

Cooperate with colleagues, customers, investors, and communities. We value long-term partnerships.



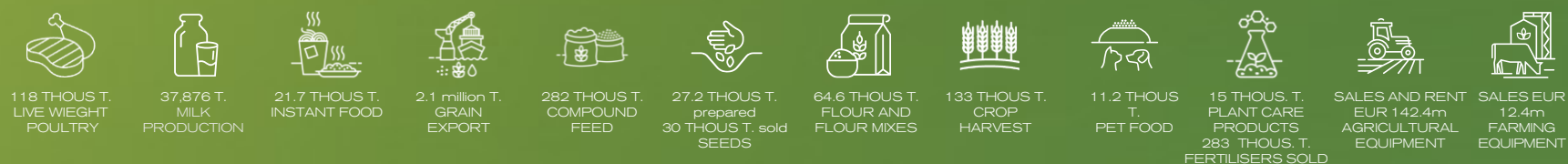
2022/2023 IN NUMBERS

INPUTS



OUTPUTS

PRODUCTS & SERVICES**



FINANCIAL RESULTS



NEGATIVE OUTPUTS



NOTE:

- *Employees number as of 2023/06/30 not including data of employees in Belarus, as well as dormant companies in Baltics (please refer to Group structure to find out more), also not eliminating multi-company employee numbers (some employees are employed in several group companies);
- **Products and services figures do not exclude intra Group transactions
- We do not include evaporation from grain drying process.

GRI: 2-6, 2-7, 201-1, 201-4, 301-1, 302-1, 305-1, 306-2, 403-9,

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

ABOUT US: AGRIBUSINESS & FOOD GROUP

#1

Largest agribusiness
and food company
in the Baltics

68

subsidiaries

2

associates

Founded in

1991

2010

Listed on
Nasdaq Vilnius

5

business
Segments

more than

60

different
locations

32

years

In grain trade

25

years

In products for
farmers

10

years

In poultry business

20

years

In agriculture business



ABOUT US: VERTICAL INTEGRATION

At the heart of our operations, we specialize in the producing and distribution of a diverse range of products. This lineup encompasses grains, oilseeds, compound feeds, feed ingredients and additives, raw milk, poultry and its derivatives, milled goods, instant foods, pet food, veterinary medications, and essential agricultural supplies including equipment fertilizers, and plant protection.

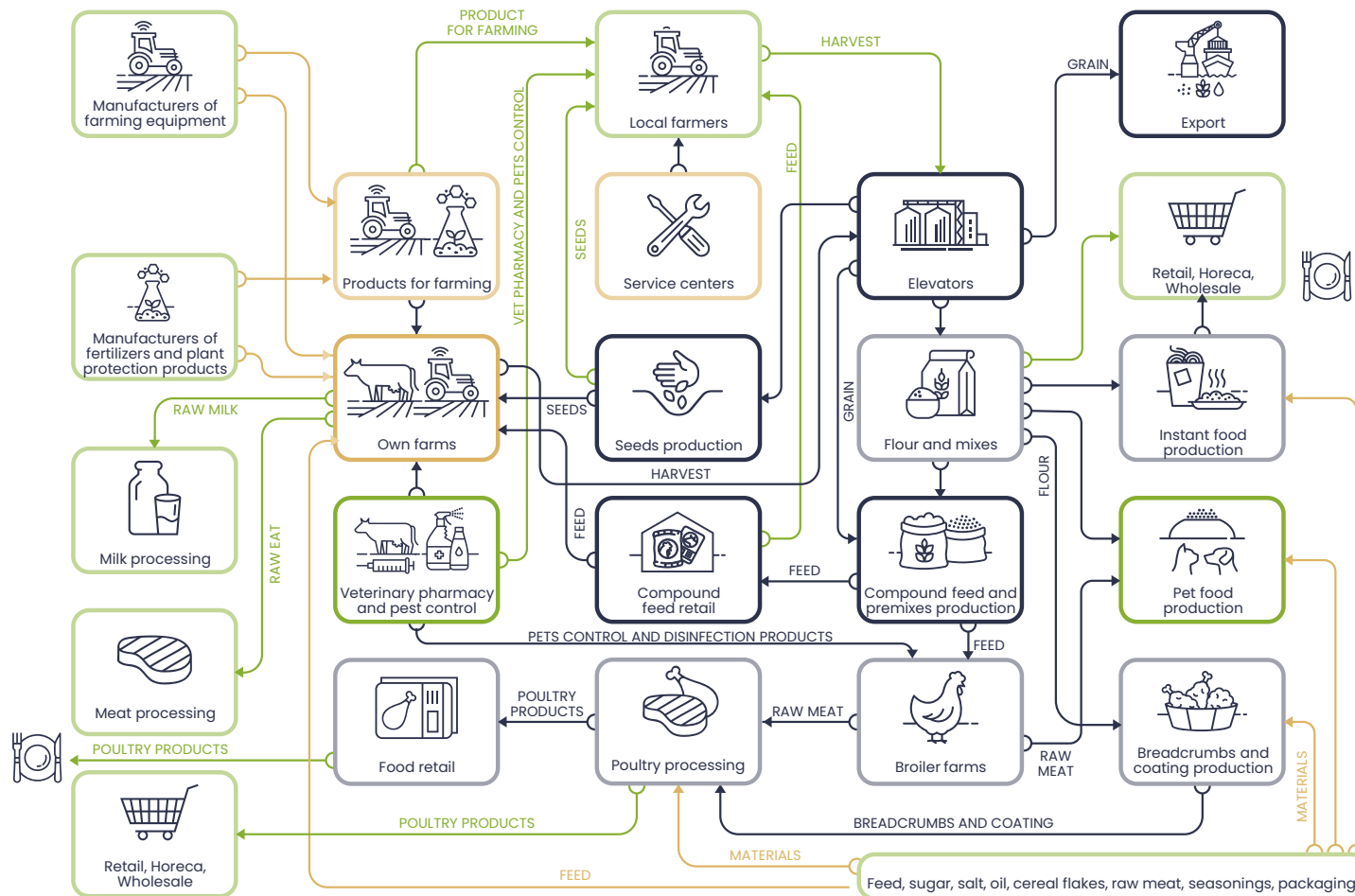
Our unique selling proposition is the integrated production approach, which bridges the gap from the field to the final consumer. This end-to-end production model not only grants us self-reliance in sourcing raw materials but also embeds traceability throughout our processes. It's a testament to our commitment to uphold, and often exceed, the quality benchmarks set for our products.

The main flows of key inputs and outputs inside the group as well as interactions between our companies and our key suppliers and clients.

Products and services for farming

- Grain, oilseeds, feed
- Food products
- Agricultural production
-
- Others
- External partners

- Movement of materials, goods and services within the group
- Sales of materials, goods and services outside the group
- Supply of materials, goods and services from outside the group



MANAGEMENT

Linus Agro Group, AB GOVERNANCE

The Company complies with the Company management procedures stipulated in the Law of the Republic of Lithuania on Companies. The Company complies with the essential management principles for the companies listed on Nasdaq Vilnius.

The managing bodies of the Company are the General Meeting of Shareholders, the Board of the Company, Supervisory Board and the Head of the Company (Chief Executive Officer).

The members of the bodies of AB Linus Agro Group have never been convicted for the property, management procedures and financial offences.

The Head of the Company is the single-person management body of the Company. In his activities, the Head of the Company follows laws, other legal acts, the Articles of Association, decisions of the General Meeting of Shareholders and the Board, and office regulations.

The Head of the Company (Chief Executive Officer) is Darius Zubas, he is also the Chairperson of the Board.

During the reporting period the annual general meeting of shareholders of the Company was held on October 28, 2022, and was attended by the shareholders of the Company holding 84.94% of all voting shares of the Company. As of 1 December 2022, the Company has a Supervisory Board whose members are elected for a term of 4 (four) years. The Supervisory Board is composed of 3 members, two of whom are independent.

MANAGEMENT BOARD



MEMBER

DAINIUS PILKAUSKAS

*joined the Group since 1991, owns
480,281 Company shares*

Master's degree in Animal Science
at Veterinary Academy of
Lithuanian University of Health
Sciences in 1991

MEMBER

ARŪNAS ZUBAS

*joined the Group in 1995, owns
480,281 Company shares*

Master's degree in Chemical
Technology, 1985, Kaunas
University of Technology

DEPUTY CHAIRMAN

ANDRIUS PRANCKEVIČIUS

*joined the Group in 1999, owns
155,745 Company shares*

Master's degree in Marketing
Management, 2000, Kaunas
University of Technology

CHAIRMAN

DARIUS ZUBAS

*the main founder of the Group, owns
17,049,995 Company shares*

Graduated from Veterinary Academy
of Lithuanian University of Health
Sciences in 1988

MEMBER

JONAS BAKŠYS

*joined the Group in 2004, owns
3,400,000 Company shares*

Bachelor's degree in International
Economics, 1997, Concordia
University (USA)
Master's degree in Business
Administration, 2003, University of
Surrey (UK)

MEMBER

MAŽVYDAS ŠILEIKA

*joined the Group in 2020, owns
1,100 Company shares*

Bachelor's degree in Management
University of Leeds (UK)
Master's degree in Shipping,
Trade&Finance
Bayes Business School (UK)

SUPERVISORY BOARD

Member	Interest in Linus Agro Group, AB	Number of shares owned	Tenure	End of tenure
Tomas Tumėnas	Chairman	2,200	4 years	30 Nov, 2026
Arūnas Bartusevičius	Independent	484,561	4 years	30 Nov, 2026
Carsten Højland	Independent	649,477	4 years	30 Nov, 2026

AUDIT COMMITTEE

Member	Interest in Linus Agro Group, AB	Number of shares owned	Tenure	End of tenure
Lukas Kuraitis	Independent	none	4 years	27 Oct, 2026
Skaistė Malevskienė	Independent	none	4 years	27 Oct, 2026
Irma Antanaitienė	Employee of the Group	none	4 years	27 Oct, 2026

No other committees are formed on the Group level. Sustainability agenda and sustainability report are approved by the management board

MANAGEMENT BOARD'S PARTICIPATION IN OTHER GOVERNANCE BODIES: [ANNEX V](#)

ABOUT US

OWNERSHIP AND LEGAL FORM

Linus Agro Group, AB (hereinafter the Company or the parent) is a public limited liability Company registered in the Republic of Lithuania. The Company was registered on 27 November 1995, while the first Company of the group UAB Linas and viza was founded back in 1991.

Group companies and branches are situated in more than 60 different locations with headquarters in Subačiaus str. 5, 01302 Vilnius Vilnius, Lithuania,

Linus Agro Group, AB, ISIN code LT0000128092, ticker in AB Nasdaq Vilnius – [LNA1L](#)

The financial year of the Company and the Group starts on 1 July of the calendar year and ends on 30 June of the following calendar year. As at 30 June 2022 and as at 30 June 2023 the shareholders of the Company were:

	June 30, 2023		June 30, 2022	
	Percentage	Number of shares	Percentage	Number of shares
Akola ApS (Denmark)	68.23%	109,909,167	68.52%	109,909,167
Darius Zubas	10.58%	17,049,995	10.63%	17,049,995
Investment and pension funds managed by UAB INVL Asset Management	5.11%	8,224,156	5.65%	9,065,182
Other shareholders (private and institutional investors)	16.08%	26,719,297	15.20%	24,370,054
TOTAL	100.00%	161,085,933	100.00%	160,394,398

Shareholders of the Group, Jun 30, 2023, Linus Agro Group, AB

All the shares of the Company are ordinary shares with the par value of EUR 0.29 each as at 30 June 2023 (EUR 0.29 each as at 30 June 2022) and were fully paid as at 30 June 2023 and as at 30 June 2022.

The Company holds 737,972 of its own shares, percentage 0.46 %, as at 30 June 2023 (761,972 as at 30 June 2022). Subsidiaries and other related companies did not hold any shares of the Company as at 30 June 2023 and as at 30 June 2022.

All of the Company's 161,085,933 ordinary shares are included in the Official list of Nasdaq Vilnius stock exchange (ISIN code LT0000128092).

During the period ended 30 June 2023 share capital was increased EUR 201 thousand (share capital was increased by EUR 421 thousand during the period ending 30 June 2022).

TAXES

Group pays its taxes in the geographies where profits are earned and does not apply any tax optimisation/consolidation practises.

GROUP STRUCTURE

Detailed Group structure provided in the [ANNEX II](#)

COMPANIES INCLUDED IN THIS REPORT

Detailed list of Group companies included in this report provided in the [ANNEX III](#)

COMPANIES EXCLUDED FROM THIS REPORT

Detailed list of Group companies not included in this report provided in the [ANNEX IV](#)

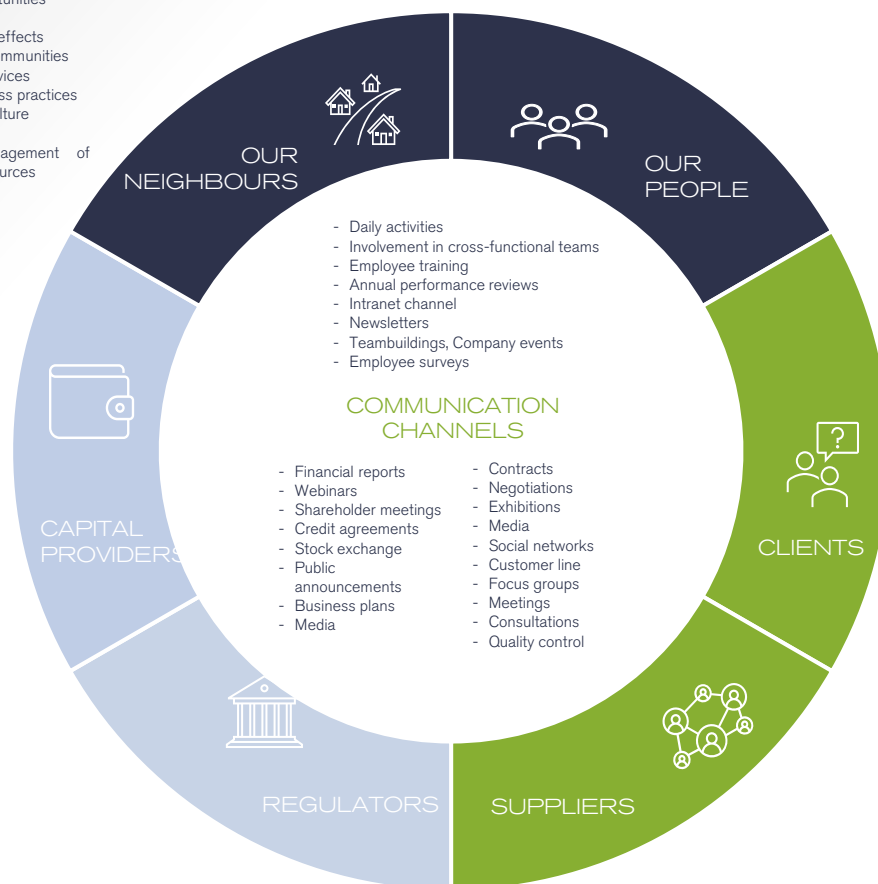
STAKEHOLDER ASSESSMENT

EXPECTATIONS AND GRIEVANCES

- Employment opportunities
- Economic inclusion
- Positive economic effects
- Supporting local communities
- Accessibility of services
- Sustainable business practices
- Responsible agriculture
- Odours/air quality
- Responsible management of environmental resources

- Financial return
- Operational efficiency
- Transparency
- Risk management
- Compliance
- Good management practices
- Reputation
- Reduction of CO₂ emissions

- Compliance
- Product safety
- Timely reports
- Taxes



EXPECTATIONS AND GRIEVANCES

- Honest treatment
- Stability
- Consistent career development
- Occupational safety
- Personal development
- Fair and transparent salary
- Participation in the decision-making process
- Innovations
- Management of adverse effects
- Good reputation

- Quality
- Timely execution of contracts
- Reliable supply
- Flexibility
- Traceability
- Good reputation
- Reducing air pollution & CO₂ emissions
- Reducing the use of drugs & antibiotics
- Animal welfare
- Optimising packaging
- Reducing food waste
- Managing negative impacts
- Optimising the use of pesticides and fertilisers

- Compliance with standards
- Business continuity
- Execution of contractual terms
- Loyalty
- Risk management

OUR ACTIONS

SOCIETY: EMPLOYEES&COMMUNITIES

- Constantly strengthening the dialogue and building culture of trust
- Promoting the exchange of employees' experiences and ideas within the Group
- Focus on occupational safety and health
- Promoting employee inclusion and the sense of pride in working with us
- Adequately addressing issues and questions raised
- Social and economic inclusiveness and
- Commitment to economically stressed communities
- Financial support to vulnerable groups
- "Good neighbour" approach

BUSINESS PARTNERS: SUPPLIERS&CLIENTS

- Only high-quality and nutritious food products
- Focus on transparent and efficient processes
- Active participation in international trade shows
- Standardization and development of products and services
- Communication and proactive disclosure of social and environmental impacts of activities, purchase practices, and overall Group's efforts
- Ambitious yet realistic sustainability agenda
- Focusing on solving occurring client problems swiftly
- Consistent assessment, communication and promotion of social and environmental action by suppliers, reducing negative impacts throughout the supply chain
- Fulfilling contractual terms in a timely and honest manner
- Where relevant, striving to meet the standards set by suppliers

REGULATORS&CAPITAL SUPPLIERS

- We assess, communicate and promote social and environmental actions
- Evaluate our possibilities to, reduce negative impacts throughout the supply chain including those related to
- Fulfilling contractual terms in a timely and honest manner
- Where relevant, striving to meet the standards set by suppliers
- Zero tolerance for breaches
- Transparent and timely reporting
- Promotion of long-term cooperation
- Remaining a reliable and respected social partner

STEP IV: PERFORMANCE

- Revision of existing engagements
- Assessment of our understanding of the key expectations and grievances of our stakeholders
- Reaching out to our stakeholders to fill in the gaps

STEP V: ANALYSIS

- Analysis of relevant information on stakeholder engagement
- Categorisation of all stakeholders by their interest and influence areas into major groups
- Summary of the key points on stakeholder engagement in the following table

We understand that our sustainable development is highly dependent on our ability to meet the expectations of key stakeholders, including our business partners, employees, shareholders, and local communities (our neighbours). Key stakeholders are entities or individuals whose engagement with our business activities, products, or services can significantly impact them, and whose actions can reasonably be expected to influence our ability to pursue our business strategies and achieve our objectives.

It is important to note that we have previously conducted this exercise for our reporting purposes. Over the year, we have expanded the stakeholder assessment process to the segment level, allowing us to gather insights and feedback more comprehensively. This bottom-up approach has enabled us to represent the contextual perspectives of various key stakeholder groups effectively.

STAKEHOLDERS ASSESSMENT STEPS:

STEP I. BENCHMARKING

- Assessment of industry-specific issues and best practices

STEP II. IDENTIFICATION

- Identification of a full list of stakeholders through the entire supply chain
- Stakeholder mapping based on their influence and interest in our long-term success
- Approval by key decision makers

STEP III: ENGAGEMENT PLAN

- Assessment of the most reliable methods and communication channels to collect feedback (expectations and grievances)

UNDERSTANDING OUR IMPACTS. SFDR AND PAI

SFDR" in the context of financial reporting stands for the "Sustainable Finance Disclosure Regulation." This European Union regulation, which came into effect in March 2021, is part of the EU's broader agenda to integrate sustainability considerations into its financial policy framework. The SFDR aims to increase transparency and provide clearer information on sustainability to investors.

In the GRI Standards, due diligence is the systematic approach an organization adopts to recognize, prevent, manage, and account for its potential and actual adverse impacts on the economy, environment, and individuals, inclusive of their human rights. The organization should proactively address possible adverse effects through preventive or mitigative actions. In situations where the organization determines that it has either instigated or played a part in the negative outcomes, there should be efforts towards rectification.

The manner in which an organization is associated with these adverse effects will guide its response strategy. This association also dictates if the organization is obliged to participate in or facilitate the rectification process. Key actions for the organization include:

- Ensuring they neither cause nor contribute to adverse outcomes through their own activities, and, when such issues arise, taking responsibility by actively engaging in or supporting the rectification process.

- For negative consequences directly associated with the organization's operations, products, or services due to its business relationships, the organization should aim to prevent or minimize these effects, even if not directly responsible for them.

If addressing all adverse impacts simultaneously is challenging, the organization should prioritize based on the gravity and probability of occurrence. Specifically, for potential adverse human rights effects, the impact's severity supersedes its probability.

GRI's Due Diligence and SFDR's Principal Adverse Impact (PAI) Assessment:

ALIGNMENT ON IMPACTS

Both the GRI's due diligence process and SFDR's PAI assessment emphasize understanding an organization's broader impacts, not just its operational footprint. They highlight the importance of assessing potential adverse outcomes and taking preventive or mitigative actions.

COMPREHENSIVE APPROACH

GRI's due diligence process involves considering an array of impacts, ranging from environmental to social, much like the spectrum of impacts considered under SFDR's PAI assessment.

STAKEHOLDER ENGAGEMENT

GRI places a significant emphasis on stakeholder engagement to determine material topics for reporting. This aspect aligns with the SFDR's intent to ensure that organizations are transparent about the adverse impacts that matter most to stakeholders.

ACCOUNTABILITY & TRANSPARENCY

GRI's framework urges organizations to be accountable for their adverse impacts and take corrective actions when they cause or contribute to negative outcomes. Similarly, the SFDR requires financial market participants to disclose how they consider and address PAIs.

CONTINUOUS REVIEW

Both GRI and SFDR encourage regular monitoring and review of the identified adverse impacts, ensuring that mitigation strategies are effective and adjusted as needed.

PRIORITIZATION

In situations where addressing all adverse impacts simultaneously is challenging, both the GRI and SFDR highlight the importance of prioritizing..

In essence, the GRI's approach to due diligence offers a foundational framework that can serve organizations well as they navigate the requirements of the SFDR, especially around the Principal Adverse Impact assessment.

ENVIRONMENTAL CONCERNS

Greenhouse Gas Emissions Both dairy cattle and poultry produce significant methane emissions. Grain agriculture, especially when done unsustainably, can result in nitrous oxide emissions from the soil.

Water Pollution Dairy cattle, poultry farms, and grain agriculture can all lead to nutrient runoff (nitrogen and phosphorus), potentially causing waterway eutrophication. Pesticides and herbicides used in grain farming can further contaminate water sources.

Land Degradation soil health is a material topic in our Group.

Biodiversity Loss our operations are limited by the arable land and species we cultivate can lead to habitat destruction, impacting local ecosystems.

SOCIAL ISSUES

Workers' Rights. All production activities within the Group can have challenging work conditions, ranging from potential health hazards in grain farming due to pesticide exposure to long hours in milling plants or poultry farms.

Public Health. Overuse of antibiotics in both dairy and poultry farming can lead to antibiotic resistance. Grain agriculture, when reliant on excessive pesticides, presents risks of chemical residues in food.

Animal Welfare. Intensive dairy and poultry farming practices have been scrutinized for their impacts on animal well-being.

ECONOMIC IMPACTS

Local Economy. The proliferation of large-scale operations in any of these industries can influence the economic viability of smaller, local businesses.

Price Volatility All these sectors can be affected by fluctuations in feed prices, global market dynamics, diseases, and climate impacts.

SUPPLY CHAIN CHALLENGES

Feed Production. Both poultry and dairy cattle require feed, the production of which can have extensive environmental impacts. Grain agriculture, when focused on monocultures, can make regions vulnerable to pests and diseases.

Transportation. The transport of grains, milk, poultry, and flour requires energy and has associated carbon emissions.

PRODUCT SAFETY AND QUALITY

Contamination Risks. From grains to milk, there's potential for product contamination, whether it's from pathogens, chemical residues, or other contaminants.

RESOURCE INTENSIVENESS

Energy Consumption. All Group production sites require controlled environments, and have significant energy demands.

Given the focus of the SFDR on sustainability our Group seeks to provide maximum transparency and disclose how we manage these adverse impacts. Our diverse teams of professionals assess, develop and implement clear strategies to mitigate these risks, ensuring that our activities are responsibly and sustainably.

LEGAL REGULATIONS

Poultry, agriculture, and food sectors are among the most regulated industries globally due to their direct impact on human health, environmental safety, and economic significance. Not only does this compliance ensure that businesses can sustainably operate within their licenses, but it also serves as a protective shield, managing risks and pre-empting potential adversities

UNDERSTANDING OUR IMPACTS. EU TAXONOMY REGULATION



The European Union (EU) Taxonomy Regulation, (EU) 2020/852, and the delegated acts adopted pursuant to it (hereinafter referred to as the Taxonomy) is a classification system for environmentally sustainable economic activities aimed at encouraging private investment in activities contributing to the European Green Deal. The taxonomy defines criteria based on scientific evidence for assessing the sustainability of activities and establishes the reporting obligations of companies.

Consolidated overview of the taxonomic activities carried out by the Group (AB "Linas Agro 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 IX](#). Below summary table covers the main aspects of the disclosure.

SUMMARY TABLE: COMPLIANCE WITH THE EU TAXONOMY REGULATION, FY 2022/23

	Taxonomy eligible activity examples throughout the Group	NACE codes	Taxonomy eligible, share %	Taxonomy aligned, share %
Income assessment:	Elevator, farm equipment / structures installation projects, ownership and rent of various buildings, transportation rent income	68.2 / 41.2 / 49.41 / 50.2	0.54%	0%
CapEx assessment:	Purchase of real estate, new non-residential buildings construction, purchase of passenger or cargo vehicles, installation of a solar photovoltaic power plant	L68 / F41.1, F41.2, F43 / H49.39, N77.11 / H49.4.1, N77.11 / F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	33.20%	0%
OpEx assessment:	not reported due to required updates in existing accounting system to support data collection based on Taxonomy criteria			
Climate Risk & Vulnerability Assessment:	combined Group assessment has not been carried out, however case by case applicable on different Group Segment levels			
Minimal safeguards:	based on Platform on Sustainable Finance, 2022 - Group compliance with minimal safeguards is considered to be partial			

MATERIALITY

CHOOSING WHAT REALLY MATTERS

Materiality is a concept that plays a pivotal role in financial and sustainability reporting. It acts as a threshold, influencing the decisions of stakeholders, particularly investors. However, materiality takes on a dual nature in sustainability reporting, serving two critical dimensions.

In sustainability reporting, materiality is the guiding principle that determines which relevant topics deserve reporting. It functions as a tool to identify key subjects essential for our long-term success and securing our social and legal license to operate.

Following the guidelines of the Global Reporting Initiative (GRI), all material topics are meticulously mapped to assess their significance in the context of our business continuity and their importance to stakeholders.

Throughout this report, we analyse and present data and relevant information on the most material topics, adhering to GRI standards. Additionally, our materiality assessment helps us identify key risks and critically important sustainability areas for our organization.

This process underscores our commitment to transparency and sustainability reporting, reinforcing our dedication to long-term success while building trust and support among our diverse group of stakeholders. Our materiality assessment process is closely tied to the scope and intricacies of the Group's operations. Building on the insights from the previous year, we've initiated a new assessment cycle that involves all key decision-makers from across the Group.

This year, the materiality assessment process delved deeply into material topics, examining them at both the business segment and Company levels. Notably, in companies like AB Kauno Grūdai and Linas Agro, we conducted individual mapping to capture their unique operational nuances. When assessing materiality in the poultry business, we considered both Lithuanian and Latvian units together.

This thorough materiality assessment process has not only helped us pinpoint critical topics for our organization but has also reinforced our commitment to transparency and sustainability reporting, in alignment with Global Reporting Initiative (GRI) standards. In the following sections, we present the results of this rigorous assessment, shedding light on the key issues that drive our long-term success and dedication to earning the trust and support of our stakeholders.

STEP I: STAKEHOLDER ENGAGEMENT

As per previous chapter, *IMPACT ASSESSMENT: ENGAGING WITH OUR STAKEHOLDERS*.

STEP II: IDENTIFICATION

The final mapping and prioritisation of material topics was performed, taking into account the following factors:

- Results of stakeholder engagement: expectations and grievances
- Food industry specifics in general
- Sustainability issues associated with dairy industry
- Region-specific agriculture issues
- Risks associated with grain trade business model
- Peer comparison
- Laws, regulations, international agreements, and voluntary agreements of strategic significance to the organisation and its stakeholders



- Standards and certifications
- Our values, policies, strategies, operational management systems, goals, and targets
- Our ability and opportunities to contribute to sustainable development
- The core competencies of the organisation and the manner, in which they can contribute to sustainable development

STEP III: IMPACT MEASUREMENT

- Qualitative assessment: which impacts are of critical importance for our long-term success.
- Quantitative assessment: how much resources we need for our products and services, as well as residual outputs in the form of emissions and waste.
- Over the course of sustainability assessment, all business impacts are divided into four main categories:

Economic: how much value added we produce in the form of orders, paid taxes, dividends, long term investment, etc.

Social: what effects our activities, products, services, and byproducts have on people: our employees, neighbours, consumers, and suppliers.

- Environmental: resource intensity, emissions, waste, effects on biodiversity, soil health, animal welfare, etc.
- Governance and compliance requirements specific to our businesses.

STEP IV: SUSTAINABILITY RISKS

Our impacts were assessed in terms of risks they pose to our sustainable long-term development.

STEP V: PRIORITISATION

To make sure we focus on the most important issues, we prioritised all impacts by their criticality. All topics were mapped according to their importance to our stakeholders and our long-term development.

STEP VI: VALIDATION

- The final list of topics, prioritised as highly material, was reviewed by the Board for feedback and approval.
- We identify and report on the indicators within each relevant GRI Standard to ensure the completeness of the report.
- We do not limit ourselves to the topics of relevant GRI standards and disclose information on all topics of critical importance.
- The report is subsequently reviewed and approved by the Board.
- We are committed to reviewing impacts, risks, and opportunities annually.

ABOUT US: 4 HEARTS



Environmental

reasonable and practicable measures to prevent or minimize the harm (climate change, water pollution and ocean acidification, and loss of biodiversity, etc)



Economic

business's social responsibility is to maximize value over the long-term



Social

great place to work, great neighbour for local communities, valued partner to our suppliers, buyers and society



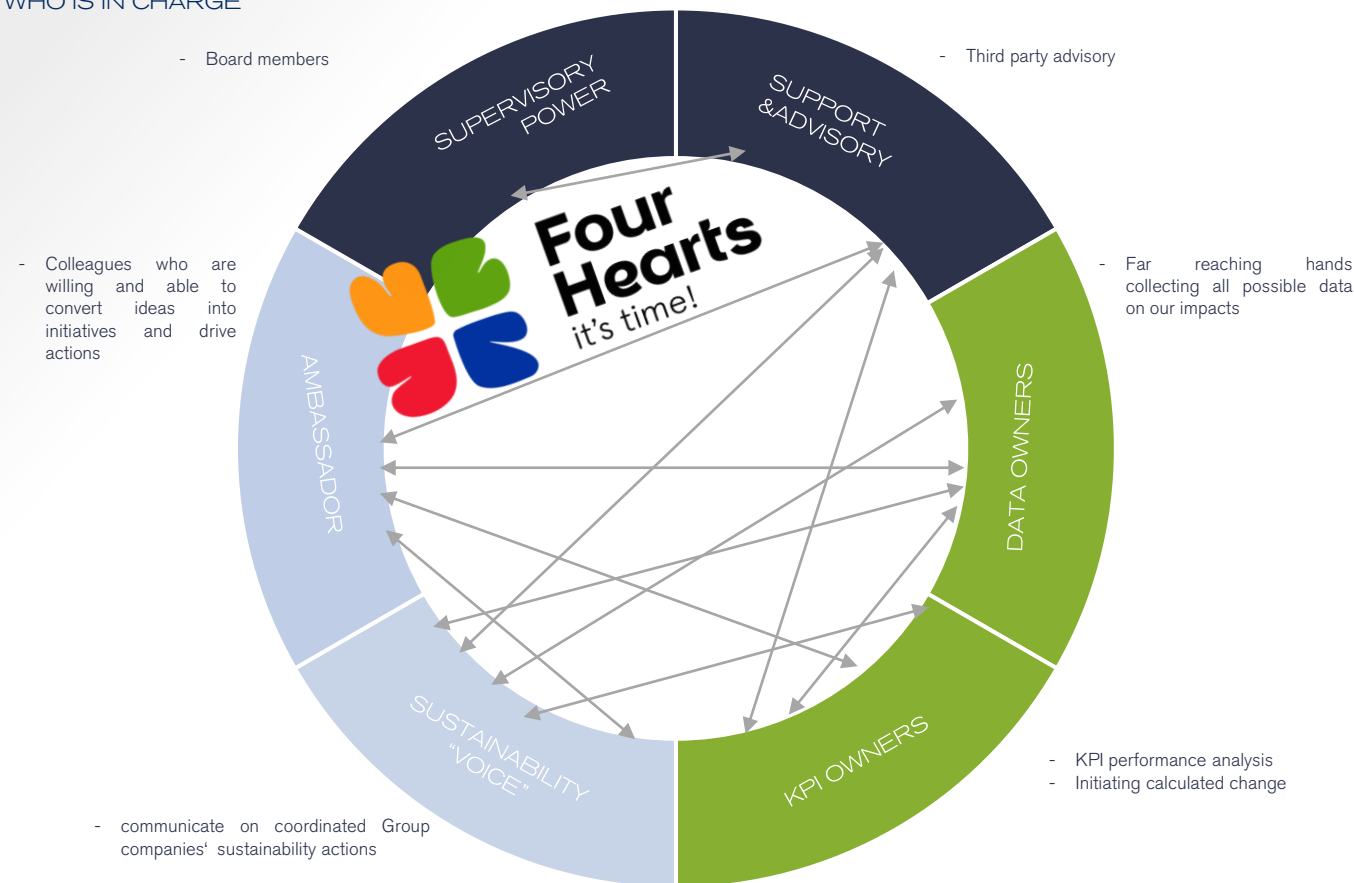
Governance

ensuring strong governance through well covered policies, functional whistle blower system, high transparency



4 HEARTS: HOW IT WORKS

WHO IS IN CHARGE



OUR ACTIONS

SUPERVISION AND ADVICE

- In 2022, The Group clarified and formalized its sustainability agenda, marking a pivotal step in its commitment to sustainable practices.
- Oversight for sustainability reporting and the formulation of related strategies has been entrusted to the Group's CFO, who also holds a position on the Board.
- All strategic-level sustainability initiatives and associated KPIs for the Group are not only approved but also periodically reviewed by the Board.
- Advise and training services are provided by the third party consultancy
- Sustainability due diligence, impact evaluation and reporting is a joint effort with our consultant.

OWNERSHIP

- All data relevant to sustainability reporting and decision making is sourced and analysed on segment level
- Our data owners are responsible for timely and accurate data collection and presentation
- Data owners initiate change within data systems if needed
- KPI owners initiate Group KPI division and allocation among Group companies/segments
- Report each 6 months on the progress
- Proactively suggest if KPI shall be updated
- Drive the change in the represented company/segment to achieve the goals

ACTION AND COMMUNICATION

- Ambassadors' club shall bring together Group employees with strongest sustainability values
- Our voices of sustainability communicate internally and externally on coordinated actions among Group companies
- Communication includes key data findings, education, progress of the KPI, initiatives of the ambassadors club

WHAT WE ARE AIMING FOR

Transparency: Non-financial reporting to improve impact disclosure.

Guidance & Concerns: Mechanism for seeking advice and addressing aggravation.

Relevance & Evolution: An iterative review process to keep the Group's sustainability efforts up-to-date, effective, and in line with global standards and the Company's goals.

Team building & Dialogue: Cultivating team unity and encouraging discussions that shape the sustainability culture.

Employee engagement:

- Involve employees in sustainability discussions and actions
- Launch sustainable initiatives at the local level
- Inform and educate colleagues about true sustainability compared to mere greenwashing

- Encourage employees to feel a sense of ownership and responsibility towards sustainability efforts
- Promote the sharing of sustainability concepts and strategies across various departments or segments
- Motivate and inspire more team members to fully commit to sustainability practices.

FOUR HEARTS CLUB

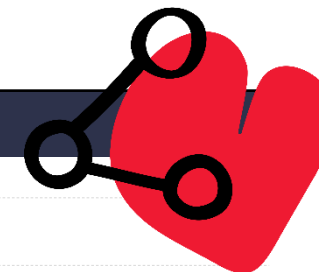
The club aims to be a community for sustainability ambassadors, ensuring they're part of a broader movement and not working in isolation. Onboarding process is currently in the process, members shall be selected biannually and the club to comprise 15-20 members, ensuring a consistent inflow of innovative ideas and renewed vigor. While participation is voluntary, the club will have a dedicated annual budget.

Projects that resonate with the Group's vision—targeting local communities, employee involvement, and environmental concerns such as energy, water, waste, and greenhouse gases—shall be prioritized for funding.

FIRST STEPS

We kicked-off FOUR HEARTS with a Group wide W15 program, in which steps translate into votes, determining which charitable causes receive funding. This project was not only designed to bring employees together but also to encourage a healthier lifestyle and simultaneously allows employees to have a say in funding decisions. The project aligns with The Group's approach of engaging employees in important decisions.

SOCIAL COMMITMENTS



COMMITMENT	MEASURE	UNIT	BASE YEAR 2021/22	2022/23	GOAL BY 2026/2027
Occupational health and safety	TRIR*	x	0.78	0.85	< 0.62 (20% reduction)
Employee turnover	Employee turnover ratio (full time employees)	%	55.3 / 35**	26	Not more than 35%
Employee retention	Employee retention ratio (employees with Group > 1Y)	%	90.8	86	Higher than 85%
Economic inclusion: be fair and helpful partner for local partners	Number of legal actions, claims, scandals		0	1	0
Build stronger communities	Engagement level (subjective criteria)		n/a		Engage with local communities, provide assistance etc
Healthier food: Antibiotics usage	Farms / cows: active antibiotic substance per liveweight of cows	mg per 1 kg PCU***	29	23	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	

WHAT WE ARE AIMING FOR

A safe work environment not only protects employees from harm but also boosts morale, productivity, and trust. A lower TRIR demonstrates the Company's responsibility and dedication towards its workforce, leading to enhanced Company reputation and employee satisfaction.

Fostering a work environment where employees feel valued and want to continue their association with the Company. A reduced turnover rate implies reduced recruitment and training costs. Furthermore, it showcases the Company as a desirable place to work, which helps in attracting top talent and retaining institutional knowledge.

Retaining experienced employees ensures that the Company preserves its knowledge base, fosters a sense of community, and reduces costs associated with hiring and training new employees. A higher retention rate indicates a positive work culture and effective management practices.

Building trustworthy and equitable relationships with local partners, operating transparently and ethically. Being a fair partner fosters trust, ensures sustainable partnerships, and enhances the Company's reputation. By minimizing legal actions, claims, or scandals, the Company showcases its dedication to ethical operations, which can lead to improved stakeholder relationships and trust in the community.

Engaging actively with local communities, offering support, and collaborating on initiatives that benefit all. Active community engagement demonstrates corporate responsibility and can foster goodwill. It leads to mutual growth, strengthens the Company's ties with its operating regions, and can even open up avenues for new collaborations and opportunities.

Promoting healthier livestock practices by reducing the reliance on antibiotics, ensuring the produce is safer for consumption. As consumers become more health-conscious and aware of their food sources, reducing antibiotic use in livestock positions the Company as a leader in sustainable and healthy food production. This can lead to increased trust from consumers, potential market growth, and alignment with global health recommendations.

PROGRESS

There's a marked improvement in the employee turnover ratio, plummeting from a combined rate of 55.3/35% in 2021/2022 to a commendable 26% in 2022/2023, despite internal transfers. This is well within the target to keep the turnover under 35% by 2026/2027.

Unfortunately, we failed to ensure fatality free workplace. The incident is described further in this report in the section GOOD HEALTH AND WELL-BEING.

Compared to the previous period, over 2022/23 the number of registered incidents grew by 7 to reach 39.

CFO of Linas Agro Group AB, Mažvydas Šileika comments that "The Group maintains a zero-tolerance policy for workplace incidents and places the utmost priority on occupational health and safety. However, our current KPIs indicate that there's a need for greater effort in this area. We must improve, set even higher standards, and ensure consistent control. Given the size of our production facilities and the significant number of people employed, it's crucial that we meet the expectations of our employees and stakeholders."

In the section SUSTAINABLE CITIES AND COMMUNITIES we disclose complaints and disputes regarding sanitary protection zone in Rudamina.

ANTIBIOTICS

Over FY 2022/23 substantial deductions in animal antibiotic consumption was achieved; Farming companies are continuously improving animal welfare, feeding conditions and are determined to explore alternative ways to ensure strong health of the animals.

Poultry LT companies are in parallel showing further progress, while LV companies stay proud with their 100% achievement.

*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)

ENVIRONMENTAL COMMITMENTS

* updated on 13-Nov-2023

COMMITMENT	MEASURE	UNIT	BASE YEAR	RESULT 2022/23	GOAL BY 2026/2027
ENERGY EFFICIENCY	Improving energy efficiency	Energy efficiency as one of investment approval criteria			Prioritised investments improving energy efficiency
	Regular energy efficiency audits for energy intensive companies	Regularity of energy efficiency audits			At least once per every 4 years
	Reduce energy consumption per ton of TOTAL output*	Perform energy consumption feasibility study during FY 2022/2023, followed by approved quantitative goal towards energy consumption reduction by FY2026/2027			Feasibility studies performed, energy consumption target per ton of total output established and achieved. KPI to be revised with following Sustainability report.
		Energy consumption per ton of total output*	MWH/t	adj. 0.681 (prev. 0.6)	0.635
PACKAGING	Increase share of renewable packaging	Renewable packaging % of total packaging			50%
GHG EMISSIONS	Develop low carbon agriculture	N fertilizers application			3-5% reduction compared to base year
	Reduce GHG intensity in milk	CO ₂ eq kg per ton of ECM milk	kg of N ₂ O per Ha (kg CO ₂ eq)	4.26 N ₂ O (1269 CO ₂)	4.19 N ₂ O (1240 CO ₂)
	Improve energy mix	Share of renewable energy (Scope 1)	%	1.2	2.4
WATER	Maintain water use intensity	Water use intensity per ton of total output*			at least 25% ADJUSTMENT: to be delivered with the results of FY 2027/2028.
WASTE	Reduce waste directed to disposal	Waste directed to disposal per ton of total output*			ADJUSTMENT (restating KPI from 2.6 m ³ /t to 3.2 m ³ /t due to recalculated base year total production output*)
PRODUCTS AND SERVICES FOR FARMING	Climate positive agricultural innovations	Knowledge sharing (subjective criteria)			no data
	More environment positive equipment, fertilizers and plant care products	Knowledge sharing (subjective criteria)			no data

SHIFTING FOCUS

Existing investment approval process was revised, introducing new investment eligibility criteria. Starting from the mid-year of the previous financial period, the evaluation of product viability and the conduct of pay-back analyses were supplemented with assessments of potential environmental, social, and governance impacts should the investment be approved and implemented. Energy efficiency criteria became a focal point.

The most recent energy efficiency audits conducted for "energy intensive" companies, namely AB Kauno grūdai and UAB Šlaituva in February 2023, as well as for poultry companies in Lithuania in February 2022 and September 2021, and in Latvia in August and September 2023, yielded no critical or major findings. Subsequent audits are scheduled for November 2026.

EVALUATING POTENTIAL

Feasibility studies focused on energy consumption efficiencies have been prepared for our key production companies. These studies encompassed evaluations at Kauno Grūdai AB in February 2023, Šlaituva UAB in January 2023, and poultry production firms operating in both Lithuania and Latvia as of February 2023. The findings highlighted multiple avenues for potential energy efficiency enhancements.

These include the incorporation of economizers for thermal water heating in instant foods which impacts gas consumption, the introduction of state-of-the-art electric motors beneficial for flour and compound feed in relation to electricity, and the repurposing of hot air from baking tunnels for water heating in breadcrumb production which again affects gas usage.

Furthermore, initiatives in sync with ISO 50001 standards have been pinpointed. These involve upgrades to refrigeration equipment, integration of economizers and hot water recovery systems, the addition of new heating boilers, and significant refurbishments to building structures, particularly in the poultry sector, impacting both gas and electricity consumption.

Currently, our Group's companies are delving into the technical feasibility of these recommendations while simultaneously conducting payback analyses. This aids in making informed decisions about potential investments linked to these insights. It's pertinent to note that such investments lined up for ongoing FY 2023/2024 investment plan.



ENVIRONMENTAL COMMITMENTS



50.1% OF TOTAL PACKAGING WAS RENEWABLE IN 2022/23



Within the Group, some product lines come with specific product safety and packaging demands. AB Kauno grūdai, UAB Šlaituva, and poultry segment stand out as principal contributors to the Group's total packaging volumes. These sectors are dedicated to reducing the use of non-renewable packaging materials and simultaneously enhancing the recyclability of these materials after use.

LOW CARBON AGRICULTURE

For several years now, the Group's companies have been taking measures to optimize the use of fertilizers and are resolute in furthering these practices in upcoming years.

Among the proactive steps taken are soil tests for analytical examination, practicing crop rotation, cultivating intercrops, and planting undersowings. The goal with these practices is either to boost nitrogen fixation (as seen with pulses) or to use certain plants as barriers against nitrogen leaching from the soil. It's essential to note that excessive use of nitrogen fertilizers contributes to the release of N_2O gases, which are far more potent in causing warming effects than CO_2 and remain in the atmosphere longer.

4.19 N_2O kg/ha IN 2022/23



In a bid to gain comprehensive insights into soil quality and its components, one of our farming companies embarked on a CO_2 credits certification program in spring 2023. We have allocated roughly 2000 hectares of arable land for rigorous scientific testing and sequestration monitoring, paving the way for potential CO_2 credit issuance based on tangible improvements.

ENERGY MIX IMPROVEMENTS

The Group's leadership identifies the 25% renewable energy (scope1) target as the most challenging commitment, demanding significant involvement and investment. As disclosed further in this report, poultry operations are the most energy-intensive within the Group. Scope 1 energy consumption in this sector accounts for approximately 70% of the Group's total Scope 1 energy usage.

This high consumption stems from various factors: the energy-intensive bird rearing processes, substantial energy requirements during slaughtering and production, and the significant energy draw from freezing ready-to-sell products. Other major contributors include grain-based food and feed production, as well as energy consumption in farming enterprises.

In 2022/23, we took initial steps towards renewable energy production. This included the installation of small-scale solar panels and use of straw residuals for energy recovery. Our farming entities are actively targeting a 5% reduction in diesel consumption by consistently adopting no-till farming practices. However, these collective efforts have so far made only a moderate impact towards achieving our 25% KPI target.

A pivotal move anticipated to make a significant difference is the planned installation of biomethane plants. This will effectively replace a large portion of our natural gas consumption with biogas. However, due to the extensive planning and setup phase, these installations won't be operational before 2027/28. Therefore group aims to revise the 'Renewable energy share in Scope 1 type of energy' KPI, expecting to deliver 25% ratio with the results of FY 2027/2028.

WASTE MANAGEMENT

We are actively searching for ways to decrease the amount of waste directed to disposal.

PROMOTING CLIMATE POSITIVE INNOVATIONS

Historically, Linas Agro AB, has been promoting more effective farming solutions. In 2022/23 we focused on sustainable farming. Our experts emphasize the significance of using advanced agro-technologies and reducing the use of pesticides. They also discuss the importance of adhering to EU guidelines and the potential of organic compounds like coal for healthier soil.

Our team has hosted spring seminars focusing on sustainable agriculture, sharing insights on global trends, and introducing efficient organic farming methods. In collaborations, they have delved into subjects like plant protection and certified seeds.

In addition Linas Agro was recognized at the "Social"INGAS 2023" awards for our contribution to socially responsible causes,

MORE ENVIRONMENT POSITIVE EQUIPMENT



For more than 20 years we focus on equipment which can deliver measurable and consistent results in the most efficient way. For example, this year we sold as many as 21 Agrifac self-propelled sprayers, which help to reduce the amount of water (-25%) and the use of plant protection products (-25%). The advanced HTA technology is utilized to regulate the form of sprayed liquid with the assistance of airflow. This ensures optimal coverage on plants while minimizing drift caused by wind. Additionally, the GPS system aids in accurate spraying, reducing overlaps by turning the spraying sections on and off precisely. By leveraging fertilization maps and variable rates, fertilizers are applied in direct correlation with a plant's development stage, minimizing potential fertilizer leaching. These sprayers, with a total width of 672 meters, cover up to 210,000 hectares annually, playing a crucial role in upholding sustainability standards.

Experts from our Group were also visible in national media representing a voice of innovation and better agricultural practices.

LINAS AGRO PODCATS

Our stakeholders are always welcome to tune in to our podcasts on YouTube where we discuss latest developments in agro innovations and share tips and tricks to make farming more sustainable.

FINANCIAL PERFORMANCE AND COMPLIANCE

COMMITMENT	MEASURE	UNIT	BASE YEAR 2021/22	2022/23	GOAL BY 2026/27	
Operational efficiency	Operating profit margin	%	5.47	2.06	>/=3%	
Optimal return on capital	Return on capital employed (ROCE)	%	18.97	6.98	>/=12%	
Sustainable debt level	RMI adjusted Net financial debt / EBITDA	x	1.90	4.22	</= 4.0	
Target level of EBITDA	EBITDA	kEUR	132.173	67.318	>/= 70,000 - 90,000	
 L/T strategic diversification in activities (optimal revenue split between segments)	Creating shareholder value	Dividends paid within FY to net profit of the previous FY	%	0.00	6.47	>/= 20 %
		Grain, Oilseed, and Feed:	%	62	61	45%
		Products and Services for Farming:	%	20	21	20%
		Agricultural Production:	%	2	3	<2%
		Food Products:	%	18	21	30%
	Other Activities:	%	2	1	<2%	
 GOVERNANCE	No tolerance to breaches	number of breaches	0	1	0	
		revised policies: environmental, Partner Code of Ethics	-		yes	
	Revision and establishment of new policies	new policies: Soil health, Quality policy, Food safety policy, Procurement policy, Sponsorship policy, Good governance policy	-	initiated	yes	
	Whistle blower system (internal & external)	Established and functional whistle blower system	no	initiated	yes	
Transparency	Consistency in reporting, annual publishing	yes	yes	yes		



Chief financial officer of Linas Agro Group AB, Mažvydas Šileika says that "Group is on a good track to achieve its strategy and the decisions made during the financial year will be implemented during 2023/24. However, the volatility in the market persist due to geopolitics, supply chain fragility and global supply/demand imbalances. Financial year 2022/23 comes after very successful 2021/22 where some adjustments were expected due to global commodity price normalization. Group is fully committed to operational efficiency and long term returns for investors".

„Within FY 2022/2023 we have initiated and strongly progressed on preparation and establishment of market abuse, sanction compliance, whistleblower, equal rights and related party transaction policies and procedures. The implementation stage of aforementioned policies will be finished by end of 2023 and Group is aiming to have procedures in place up to the latest standard and regulation. The focus scope of policies will be extended with coming years. We believe, that after the completion of the implementation period (KPI year), Group will be operating according highest standard in the market“.

GROUP AND GLOBAL CONTEX

SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs), part of the 2030 Agenda for Sustainable Development, adopted by the 193 United Nations' member states, comprise the world's comprehensive plan of action for achieving sustainable development.

Formally, SDGs and the targets associated with them apply on country level. Given the scope and complexity of our activities, Linas Agro Group, AB has the potential to contribute to almost all SDGs by enhancing our positive impacts or by preventing and mitigating negative impacts on the economy, environment, and people.

The group operates mainly in economically stressed regions, providing employment and contributing to economic activity. The Company has established policies ensuring equal opportunities for professional growth for all employees, and there have been no recorded cases of discrimination.

In its role as a food producer, the group produces and distributes food, with an emphasis on poultry products as a source of protein. The decision to not use antibiotics in poultry production aligns with health and safety standards.

AB LINAS AGRO GROUP is involved in various agricultural practices, including the production and sale of locally adapted seeds and the use of advanced farming equipment. We also develop the Geoface precision farming system.

The Company's energy consumption primarily relies on renewable sources. Additionally, there are practices in place to minimize waste in different stages of production.

Transparency is a key aspect of the group's operations, evident in their sustainability reports and policies against corruption.

MATERIAL TOPIC	1 POVERTY	2 HUNGER	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
GHG emissions															
Energy use															
Biodiversity															
Soil health															
Use of pesticides and fertilisers															
Water stewardship															
Packaging															
Waste															
Food safety															
Animal health and welfare															
Materials															
Local communities															
OHS															
Human rights															
Employee welfare															
Shareholder value															
Tax															
Supply chain transparency															
Compliance															
Economic inclusion															
Partnerships															
Equal opportunity															
Governance practices															
Human capital development															

Linkages between the material topics and Sustainable Development Goals

OHS: Occupational Health and Safety

GRAIN, OILSEEDS, FEED

ACTIVITIES

Grain, oilseed trade
Organic grain and oilseeds
Grain storage and preparation
Feedstuff trade
Compound feed production
Logistic services

GEOGRAPHY



KEY FACTS



595

Main export commodity is Lithuanian and Latvian wheat

301

thousand tons total capacity of grain storage

281.6

thousand tons storage capacity at ports

12

thousand tons of compound feed

40

feed retail stores

800

trade directions

4,957

employees

38

tCO₂e emissions (Scope 1)

878

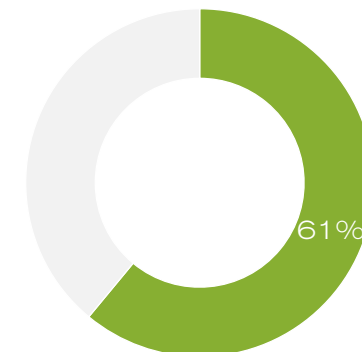
GWh total energy consumption

thousand tons of grain collected through the elevator network

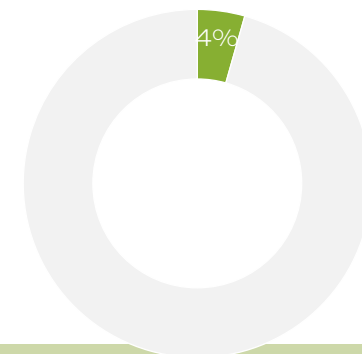
KEY SDGs



SHARE IN GROUP INCOME



SHARE IN GROUP GHG EMISSIONS



COMPANIES

AB Linas Agro
SIA Linas Agro
Linas Agro OÜ
AB Kauno Grūdai
UAB KG Mažmena
SIA KG Latvija
KG Polska Sp. zo.o

UAB Linas Agro Grūdų Centrai
SIA Linas Agro Graudu Centrs
UAB Jungtinė Ekspedicija
UAB Agro Logistic Service
LLC LINAS AGRO UKRAINE
OOO KLM (Belarus)
Company for sale

OWN BRANDS

VitaPrem

Kauno Grūdai

KG Nature
Effectus

CERTIFICATIONS

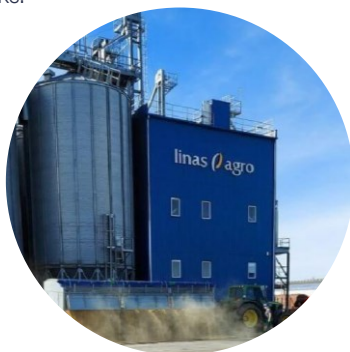


GRAIN, OILSEEDS, FEED

GRAIN TRADE

Crop cultivation is the backbone of global economy and the foundation of food system. We are an international player in grain trade market, exporting locally grown grain and oilseeds from Lithuania and Latvia to more than 40 markets worldwide.

For more than three decades, we have been working to ensure a steady supply of high-quality locally grown grain and oilseeds. Our long-term success is built on fair and economically inclusive relations with local farmers and farming companies. We cherish trust of our suppliers and are always willing to share our profound experience by advising business partners on grain price fluctuations and business risks.



LEADING EXPORTER OF LOCAL HARVEST

Farmers and farming companies deliver harvest (food and feed wheat, rapeseed, barley, peas and beans, rye, triticale, oats, and corn) directly from fields to our grain centers and partner elevators.

Our highly skilled and motivated professionals working at our grain centers are responsible for proper preparation of grain for export markets. Therefore, we are focused on increasing the demand and competitiveness of Lithuanian and Latvian grain in the highly competing global market.

We strive to maintain high grain quality, so we have acquired GMP+, GTP, ISCC certificates for international trade, and we have joined the GAFTA trade association, which obliges us to comply with extremely strict requirements.

GRAIN STORAGE

Harvesting is very important for every farm. As farmers have a narrow time window for harvesting their crops, the two most important factors in grain harvesting are speed and accuracy.

We operate 13 modern elevators, 10 of which are in Lithuania: Joniškis, Kėdainiai, Vilkaviškis, Šiauliai, Pasvalys, Lukšiai, Jungėnai, Kartena, Kupiškis, and together with partners – in Gustonys (Panevėžys district). Three grain storages operate in Latvia: Jēkabpils, Grobiņa, and Rēzekne.

At our grain centers, we constantly innovate and look for the best solutions in order to improve client experience and reduce service time. Automated presses in our laboratories ensure swift and reliable grain quality assessment. Integration of quality assessment system with our accounting program allows smoother documentation of delivered harvest. As a result, we minimize the possibility of error and our clients do not waste time waiting.

Should farmers have the capacity to prepare their harvest to match the appropriate parameters, grain can be delivered directly to the port. Modernized and automated reception process at the ports helps us manage cargo flows smoothly and helps farmers minimize waiting time.

ECO GRAIN PROCUREMENT

Lithuania has seen a surge in organic farming, influenced by global consumer trends emphasizing organic and eco-friendly products. Beyond the potential health benefits linked to organic consumption, these eco-centric farming methods play a pivotal role in rejuvenating and enhancing the fertility of otherwise infertile soils.

ECO GRAIN ELEVATOR IN KARTENA



The regulatory landscape for organic products is rigorous. Every product falling under the 'organic' label must adhere to the regulations set forth by the European Council. Furthermore, every entity in the supply chain, right from seed producers, must possess a valid Ekoagros certificate. This certification from the public institution serves as proof that the organic products being sold align with the European Union's directives and criteria.

AB Linas Agro is a certified trader of organic crop products as certified by Ekoagros. Our organic trade department procures a variety of organic grain and seeds from local farmers, including, but not limited to, oats, wheat, spelt, rye, barley, and beans. To further fortify our commitment to organic trade, AB Linas Agro operates a specialised elevator in Kartena, exclusively dedicated to handling organic grain.

COMPOUND FEED

This business line includes production and sale of bulk and bagged feed for poultry, pigs, cattle, and other animals, also feed material and feed additive trading. We produce compound feed for maturing breeders, laying hens, broilers, turkeys, quails, waterfowl, calves, dairy cows, lactating cows, beef cattle, piglets and fattening pigs, horses, fish, sheep, goats, rabbits, as well as baits for fish.

MORE THAN 50 UNIQUE RECIPES



Feed materials entail trade in food by-products (such as sunflower cake, sunflower meal, rapeseed cake, soybean meal, sugar beet pellets, etc.) and vegetable oils. The portfolio of feeding products includes feed additives, such as licks, premixes, vitamins, amino acids, etc.

RETAIL AND WHOLESALE

12 dedicated AB Kauno Grūdai feed stores operate across Lithuania. Products are also available in our online store.

PRODUCTS AND SERVICES FOR FARMING

ACTIVITIES

Certified seeds
Fertilisers
Plant protection products
Micronutrients
Agricultural machinery
Grain storage facilities and farm equipment
Spare parts and service
Smart farming system

KEY FACTS

30	Seed production plant capacity
16	sales outlets in the Baltics
13	service centres
185	thousand tons total Group's warehousing capacity
340	employees
1,605	tCO ₂ eq emissions

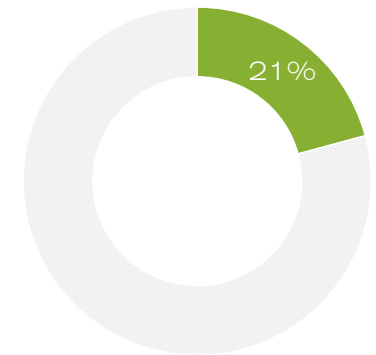
GEOGRAPHY



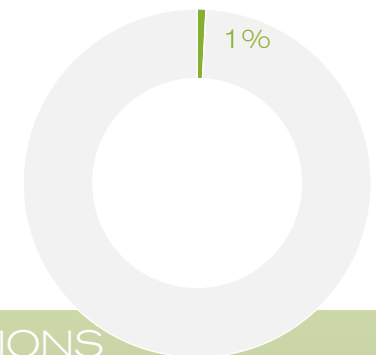
KEY SDGs



SHARE IN GROUP INCOME



SHARE IN GROUP GHG EMISSIONS



COMPANIES

AB Linas Agro
UAB Dotnuva Baltic
UAB Dotnuva Rent
UAB Linas Agro Grūdy Centrai
UAB GeoFace
SIA Linas Agro

SIA Dotnuva Baltic
SIA Linas Agro Graudu Centrs
Linus Agro OÜ
AS Dotnuva Baltic
OOO KLM

OWN BRANDS



GEOFACE



CERTIFICATIONS



UAB Dotnuva Baltic, SIA Dotnuva Baltic and AS Dotnuva Baltic have joined the Case IH international quality network Red Excellence, which unites companies representing the Case IH brand in Europe.

PRODUCTS AND SERVICES FOR FARMING

FERTILISERS AND MICRONUTRIENTS

We supply fertilisers for crops, garden, and vegetables. Our portfolio includes mineral, organic, micronutrient, and bio-mineral fertilisers.

PLANT PROTECTION PRODUCTS

To ensure the safety of crops, we offer a wide range of herbicides, fungicides, growth regulators, insecticides, and glyphosates.

The use of chemicals for plant protection in Lithuania is strictly regulated by the Law on Plant Protection.

AGRICULTURAL MACHINERY

We are proud representers of world-class agricultural machinery in the Baltic States. Our portfolio of agricultural machinery includes everything necessary for successful farming: tractors, grain and forage harvesters, tillage, sowing and forage preparation machinery, sprayers and fertiliser spreaders, telescopic and articulated loaders, trailers and semi-trailers, irrigation and manure handling equipment.

In order to maintain representation rights, we must meet the highest quality requirements, so we are always try to provide top class experience to all our clients.

We also sell and rent used machinery of high quality.

TOP PERFORMANCE



SPARE PARTS AND SERVICE

Our professional maintenance services are designed to ensure maximum efficiency of our clients' farms so that our clients can focus on their direct farming activities.

MODERN TECHNOLOGY FOR MORE EFFICIENT FARMING



FARMING EQUIPMENT

Our range includes feed production, grain drying, cleaning, sorting, baiting, transport and storage equipment, as well as air purification and dust collection equipment. Modern equipment installed by our teams of professionals contributes to increased energy efficiency, helps prevent loss of grain and materials caused by pests, mold, etc.

REGULATED DRAINAGE

We are the experts in helping our clients increase the efficiency and the long-term profitability of their fields. Our experienced engineers at Dotnuva Baltic are able to adapt the regulated drainage systems to the fields of a specific farm. This method of water management developed by "Ekodrena" helps reduce short-term water-related stress on plants.

SEED MANUFACTURING

It is estimated that our brand "Dotnuva Seeds" accounts for 30% of certified seeds' market in Lithuania. In FY2022/2023, 27.2 thousand tons of certified seeds were produced in our own seed production plant located in Dotnuva.

UAB Dotnuva Baltic has a certificate for the preparation and trade of organic seeds, issued by PI Ekoagros.

MODERN FARMING SOLUTIONS

Geoface is a cutting-edge agricultural system paired with an intuitive app, tailored for farmers, agricultural entities, and agronomy professionals. The main objective behind Geoface is to revolutionize farm management, making it not only seamless, but also amplifying crop outputs.

Regional adaptability: It is developed to address the unique challenges and needs posed by farmers in different regions, ensuring each farm benefits from a customized experience.

Precision farming, central to Geoface, is the cornerstone of a sustainable and economically viable agricultural future. At the heart of Geoface are essential functions, like comprehensive crop monitoring, streamlined planning for spraying and fertilization, and a robust financial analysis tool.

Geoface integrates the *FAPAR algorithm*, a sophisticated tool that assesses the solar spectrum portion absorbed by plant chlorophyll. This allows Geoface to deliver unparalleled accuracy in estimating the requirements for fertilizers and plant protective agents.

Crop monitoring: With Geoface, real-time monitoring of field growth is at one's fingertips, ensuring immediate detection of any anomalies, accessible both on desktops and mobile devices.

Nitrogen fertilization mapping: Geoface simplifies the creation of variable rate application maps for nitrogen fertilization, ensuring quick turnarounds without necessitating in-depth agronomic expertise. Optimized fertilizer utilization not only augments farm profitability, but also curtails GHG emissions linked with fertilizer applications. Moreover, it fosters increased carbon retention in the soil.

Resource management: The platform offers an integrated dashboard where resources can be effortlessly managed and monitored. The added advantage is its capability to auto-record any resource changes, ensuring users stay updated.

PRECISION FOR BETTER AGRICULTURE



AGRICULTURE

ACTIVITIES

Cereal growing
Rapeseed growing
Sugar beet growing
Milk production
Beef cattle rearing

KEY FACTS

7	agricultural companies
19,229	ha – arable land, out of which
6,074	ha owned
3,304	dairy cows
37.9	thousand tons of raw milk
133	thousand tons of crop harvest
425	employees
54,863	tCO ₂ eq emissions
34.3	GWh total energy consumption

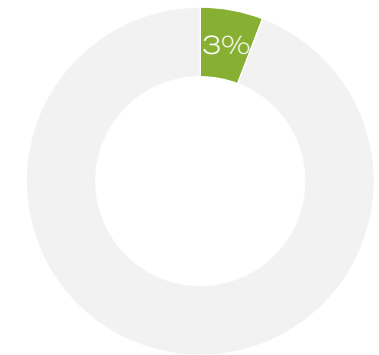
KEY SDGs



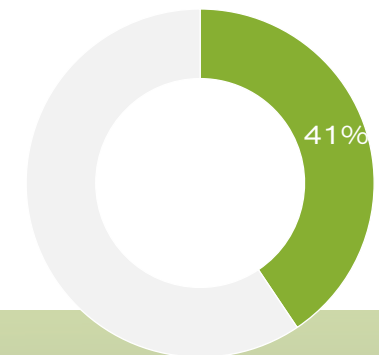
GEOGRAPHY



SHARE IN GROUP INCOME



SHARE IN GROUP GHG EMISSIONS



COMPANIES

UAB Linas Agro Konsultacijos
Panevėžys District Aukštadvario ŽŪB
Panevėžys District Žibartonių ŽŪB
Kėdainiai District Labūnavos ŽŪB
Šakiai District Lukšių ŽŪB

Biržai District Medeikių ŽŪB
Sidabravo ŽŪB
Kėdainiai District ŽŪB Nemunas
UAB Landvesta 1
UAB Landvesta 2

UAB Landvesta 3
UAB Landvesta 4
UAB Landvesta 5
UAB Landvesta 6
UAB Noreikiškės

Užupės ŽŪB
UAB Paberžėlė
UAB Lineliai

AGRICULTURE

The development of agricultural activities is restricted by land resources; thus, we are committed to nurture arable land to ensure business continuity.

Pesticide use and intensive agriculture are two main hazards for biodiversity; therefore, we are obliged to strictly follow existing regulations and apply precise measures, such as timing and quantities of chemicals used.

No invasive crops are cultivated within the Group.



OUR CATTLE

By the end of the reporting period, the headcount of ruminants in our farms amounted to 7.3 thousand cows, bulls, and heifers.

MILK PRODUCTION

According to the State Enterprise Agricultural Information and Rural Business Centre, over the reported period, our dairy cattle (3,304 cows) accounted for approximately 1.5% of total dairy cattle in Lithuania. Raw milk production over the reporting period reached 35.5 thousand tons (35.6 thousand tons of energy-corrected milk (ECM)), which accounts for 2.5% of total raw milk sold in Lithuania.

We manage the most efficient dairy farms in Lithuania. In 2022, Sidabravo ŽŪB was officially recognised as the most efficient raw milk producer in Lithuania, followed by Šakiai District Lukšių ŽŪB. In 2021, Šakiai District Lukšių ŽŪB ranked first, with Sidabravo ŽŪB as a runner-up.

We understand that higher productivity levels are very dependent on the life quality of the animals. In addition, higher farm efficiency helps us reduce resource intensity without compromising the quality of produced milk. Therefore, farming companies cooperate closely with other professionals within the Group to develop the most sustainable industrial milk production.

WATER BEDS

A double water bed allows our cows to form the most comfortable bearing and have a sound rest. Water inside the bed facilitates the heat exchange and eliminates the risk of heat-related stress.

Special water bed coating is less damaging to cows' feet, which results in fewer diseases and bruises.

Water beds are mounted in longitudinal metres, so that the fluid does not intermix (which would lead to bacterial accumulation). Water beds are balloon-shaped; when a cow stands up, all the liquid runs on the manure path, reducing the risk of mastitis.

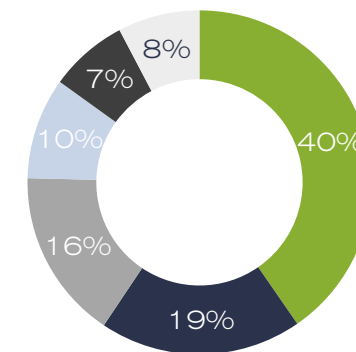
CROP PRODUCTION

According to the SE Agricultural Data Center, 2,904m ha of arable land was declared in 2023. Based on these statistics, we manage approximately 0.7% of total agricultural land in Lithuania.

Crops are the core component of food industry. In 2022/23, we harvested 133 thousand tons of different sorts of grain.

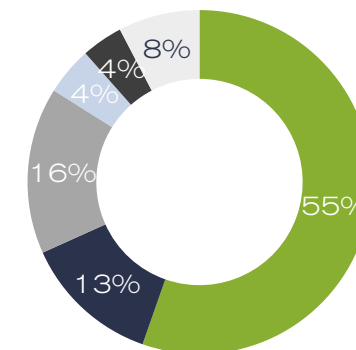


CROPS BY AREA



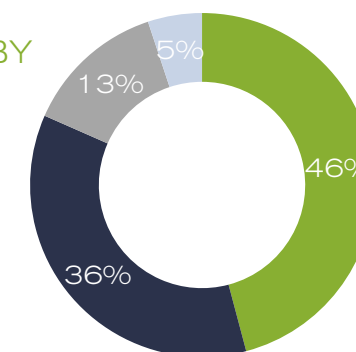
■ Winter wheat ■ Winter rapeseed ■ Barley ■ Corn ■ Beans ■ Other

CROPS BY HARVEST VOLUME



■ Winter wheat ■ Winter rapeseed ■ Barley ■ Corn ■ Beans ■ Other

GHG EMISSIONS BY ACTIVITY



■ SOIL AND RESIDUALS ■ ENTERIC EMISSIONS ■ DIESEL ■ MANURE

FOOD PRODUCTS

ACTIVITIES

Full poultry manufacturing cycle:
 Feed mill plant
 Parent flocks, hatching
 Chicken from locally laid eggs
 Broiler
 Poultry meat products
 Manufacture and wholesale of flour, flour mixes, breadcrumbs, breeding mixes, instant foods

GEOGRAPHY



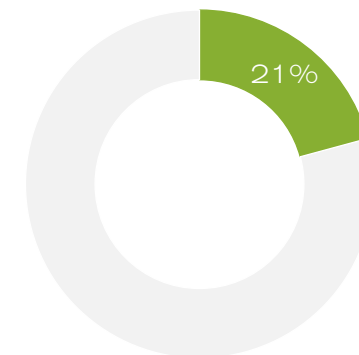
KEY FACTS

- 75% antibiotic-free birds in Lithuania
- 100% antibiotic-free birds in Latvia
- 49.8 million broilers per year
- 20 retail shops (SIA PFK Trader)
- 1 major flour producer in Lithuania
- TM Private label contractor
- Sole producer of instant noodles in the region
- 3.3 thousand employees
- 73,728 tCO₂e emissions (Scope 1)
- 369.9 GWh energy consumption

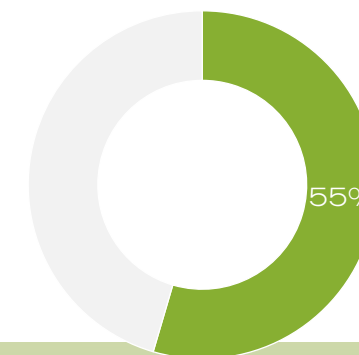
KEY SDGs



SHARE IN GROUP INCOME



SHARE IN GROUP GHG EMISSIONS



COMPANIES

AS Putnu Fabrika Kekava
 AB Kauno Grūdai
 SIA Cerova
 AB Vilniaus Paukštynas
 AB Kaišiadorių Paukštynas
 SIA Lielzeltīni
 SIA Broileks

UAB Alesninkų Paukštynas
 UAB Domantonių Paukštynas
 UAB Lietbro
 SIA PFK Trader
 UAB Šlaituva
 AB Zelvė
 UAB Avocetė

UAB VKP Valdymas
 UAB KP Valda
 UAB VP Valda
 UAB KG Distribution
 UAB KG Logistika

OWN BRANDS



CERTIFICATIONS



FOOD PRODUCTS

FLOUR

The beginning of milling business of KG Group dates back 120 years. The flour milling industry is a vibrant sector that combines traditional skills with modern technology to produce a wide range of flours. Quality flour production is one of the cornerstones of food industry.

Upstream, we are a reliable partner for local farmers: in 2022/23, AB Kauno Grūdai procured 306 thousand tons of local harvest, 30% of which was used for flour production in our mill.

All grain is carefully tested in our own laboratory; optical sorting technology ensures the highest precision in removing all impurities and defected grain.

Downstream, we are a key player in multiple fields, from industrial bakeries to household kitchens.



FLOUR MIXES

We offer flour mixtures for pancakes, chocolate cake, doughnuts, kibins, pizza, cupcakes, and we keep introducing new options for those who are looking for hassle-free cooking experience at home.



INSTANT NOODLES

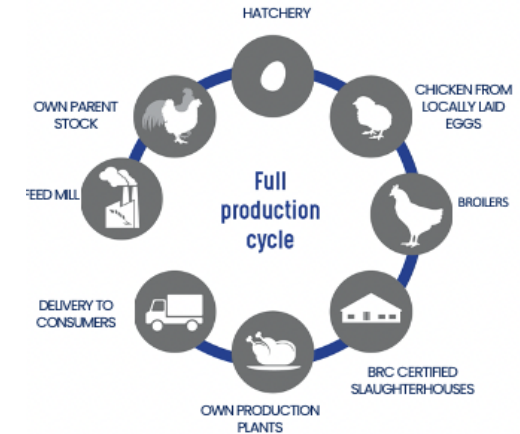
Since 2011, AB Kauno Grūdai has been producing instant noodles. Our factory sources only the finest and most exotic materials from overseas, as well as in the local market, and remains the only instant noodle manufacturer in the Baltic States. Products are exported to 23 countries all over the world, including Spain, Germany, France, Holland, and Scandinavia.

We produce palm oil, flavour enhancers, preservatives, synthetic color-free product lines. Natural exotic additives, such as coconut, mushrooms, or green curry, enrich this product range and add an exceptional taste to Sun Yan Nature noodles.

Noodles are packed in pouches and cups.

INSTANT PORRIDGE

Whole grain oatmeal, buckwheat, or couscous porridge is an excellent source of dietary fiber for everyone.



FULL-CYCLE POULTRY BUSINESS

Besides grain-based products, poultry production cycle is a notable part of our food segment. Overall, poultry business represents a significant part of energy and material consumption. Each broiler chicken originates from our hatcheries with fertilised eggs from parent flocks maintained at our farms, ensuring genetic consistency. On average, our hatcheries produce about 160,000 chicks daily.

After hatching, chickens are transferred to poultry houses, each accommodating 22-30 thousand broilers, for a period of 40 days. Their diet is formulated to meet their requirements across all life stages, with a significant portion of their feed being locally prepared.

Our birds are slaughtered conforming to established standards. The meat is then processed at our facilities, allowing us to expand our product offerings. We operate under strict industry regulations, understanding that non-compliance could lead to operational interruptions or penalties.

OTHER ACTIVITIES

ACTIVITIES

Pest control
Hygiene products
Disinfection
Pet food production and sales
Veterinary pharmacy
Other

KEY FACTS



Own extruded pet food manufacturing factory in Alytus



AB Kauno Grūdai has pharmaceutical license for wholesale distribution

KEY SDGs



GEOGRAPHY



21.8m

sales

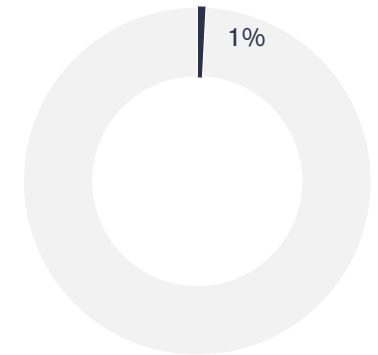
900

tCO₂eq emissions

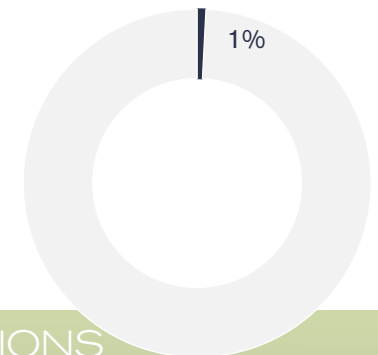
3

companies

SHARE IN
GROUP
INCOME



SHARE IN
GROUP
GHG
EMISSIONS



COMPANIES

OWN BRANDS

CERTIFICATIONS

AB Kauno Grūdai
OOO KLM*
UAB Baltic Fumigation Services

*Company for sale



AB Kauno Grūdai and OOO KLM have pharmaceutical licenses for wholesale distribution

OTHER ACTIVITIES

VETERINARY PHARMACY

Our veterinary business line offers the most advanced means of disease prevention and treatment for animals and pets:

- Selection of feed and feed additives
- Veterinary medicine and tools for veterinary pharmacies, veterinary doctors, clinics, and pet shops
- Professional consultation for veterinarians
- Individual customer information about market innovations
- Regular training seminars

WE ARE TRUSTED BY THE LARGEST INTERNATIONAL PRODUCERS



TRAININGS, SEMINARS

Educating veterinary community helps raising quality standards, saving animal life and maintaining business segment development. Our professionals and partners share their experience, insights, and present veterinary pharmacy novelties.

In addition, we hold the largest biannual veterinary pharmacy congress in the Baltic States, "VET Congress", which attracts hundreds of participants not only from Lithuania, but also from foreign countries. During the congress, we delve into trends in veterinary medicine, advanced practice solutions, and innovations in veterinary pharmacy.

DERATIZATION

We offer a full scale of products and tools for observation, repelling, and destruction of rodents using special methods and tools.

DESTRUCTION OF INSECTS

Insects might cause a large-scale irreparable damage for food industry; thus, a complex of measures that includes prevention, monitoring, repelling, and destruction of arthropods using various methods and tools must be considered at all times.

DETECTION OF PESTS IN WAREHOUSES

Up to several dozen types of pests are found in storage facilities. Cereal pests multiply very quickly; they damage and contaminate huge quantities of grain and other products that are no longer suitable for use, causing significant financial damage. Fumigation can be carried out in warehouses with infected grain or other products.

DISINFECTION

Our team helps prevent and remove mold and microorganisms by performing prophylactic and focal disinfections. To ensure human health and safety, these services are essential in public gathering places, such as shops, schools, hospitals, public catering, etc. In addition, disinfection is necessary in poultry and livestock farms, as well as manufacturing facilities processing the products of animal origin.

WE HELP FOOD INDUSTRY PLAYERS ENSURE FOOD SAFETY



BIRD CONTROL

Wild birds, such as pigeons, might cause damage to storage and production facilities; therefore, we offer sustainable and modern solutions for the protection of materials and products.

FREEZE-DRIED PET FOOD

AB Kauno Grūdai has been producing pet food for almost 30 years.

We offer economically inclusive brands, such as "Canis" and "Aport", providing pet owners with an opportunity to maintain proper nutrition for their pets.

In 2020, a super premium pet food production line was launched in Alytus.

"Freeze-dried raw coated" is an innovative technological solution which offers an exclusive taste to "QUATTRO" products and enriches them with naturally preserved nutrients necessary in daily nutrition.

"QUATTRO" dog food contains 58-83% of animal proteins to ensure that the natural nutritional needs of dogs are met.

"QUATTRO" cat food contains 64-73% of animal proteins for better nutrition and health of cats.

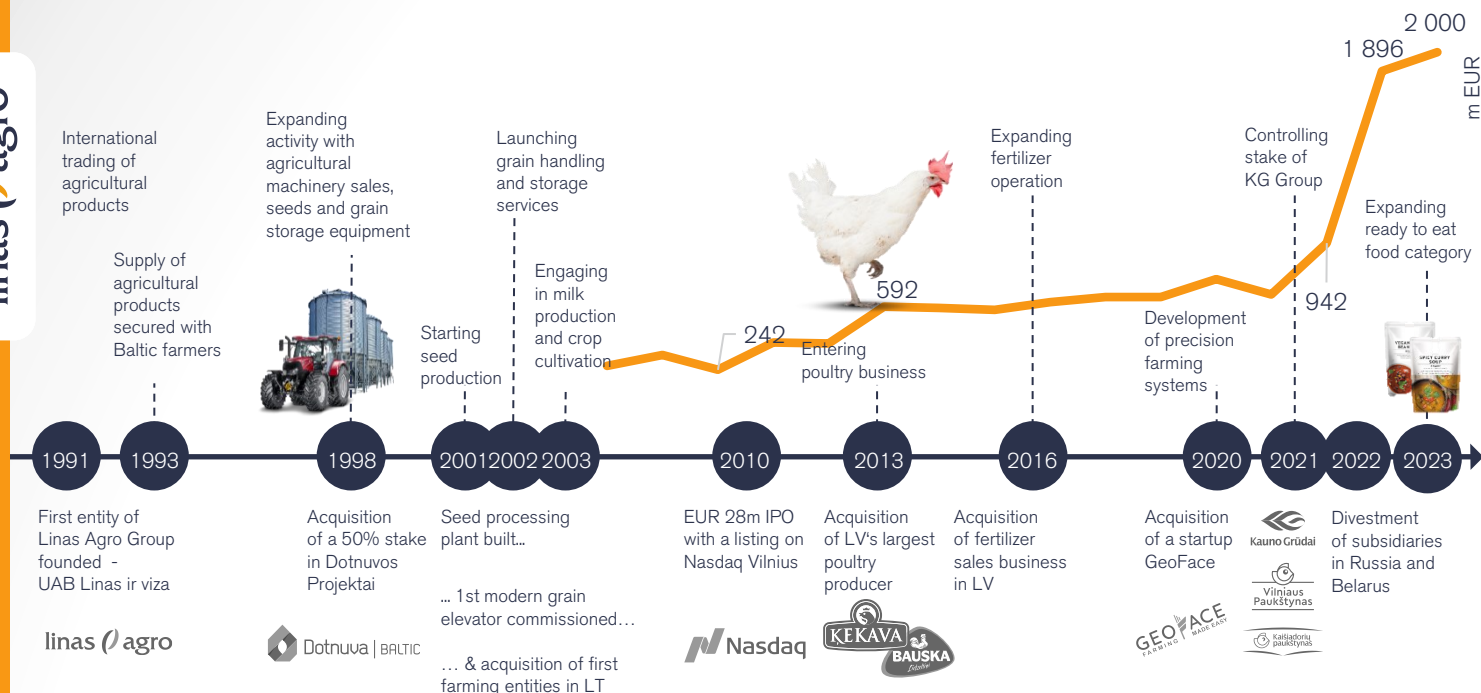
11.2 THOUS. tons PRODUCED OVER 2022/23



DECENT WORK AND ECONOMIC GROWTH

GROUP DEVELOPMENT

linas agro



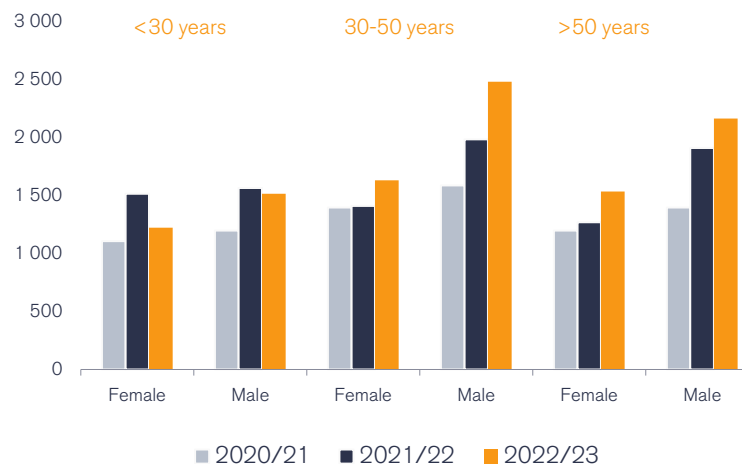
ANNUAL TOTAL COMPENSATION



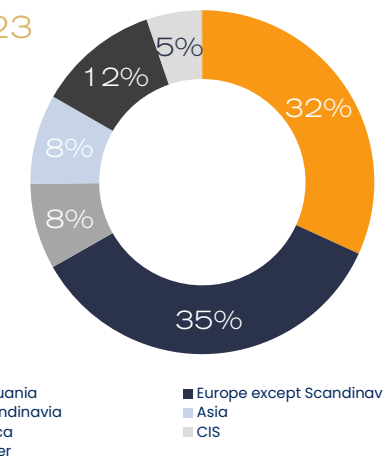
DECENT WORK CONDITIONS

Workplace standards have been established based on globally accepted benchmarks. These standards encapsulate safety, hygiene, and optimal working conditions. Regular audits are conducted to ensure that these conditions are maintained, which, in turn, ensures that productivity is maximised.

In the fiscal year under review, our total compensation for employees amounted to EUR138m. This figure represents our ongoing commitment to fair compensation and is in line with industry standards.



GROUP INCOME BY MARKETS FY 2022/23



INDUSTRY INNOVATION AND INFRASTRUCTURE

NKP CERTIFICATION AND STANDARD



The National Food Quality (NKP) system characterises products by their inherent naturalness, robust nutritional profile, and commitment to environmental conservation.

- Vilniaus Paukštynas is the first poultry company to be certified under the NKP system.
- The "National Quality Lithuania" label on product packaging signifies Vilniaus Paukštynas' successful navigation through NKP audits and their attainment of the NKP certificates.
- Label significance: it underscores the product's superior quality that not only aligns with, but also surpasses the safety, animal welfare, health, and environmental standards dictated by the European Union (EU) and national legislative directives. This superior quality is attributed to certain distinctive farming or production methodologies.

ROSS 420 CLUB

AB Vilniaus paukštynas has earned a prestigious spot in the "Aviagen Kft Ross 420 Club", marking the first Lithuanian company to achieve this honour. The US-based "Aviagen" is a global authority in poultry breeding, extending membership only to entities that surpass stringent industry benchmarks. AB Vilniaus paukštynas clinching the European Poultry Efficiency Factor (EPEF) of 420 showcases their commitment to stellar poultry health, growth, and feed assimilation standards. Their practices, which emphasise biosecurity, disease prevention, and state-of-the-art farming tools for real-time poultry health monitoring, have set them apart. Furthermore, their antibiotic-free approach fulfils Lithuania's poultry needs while underscoring the importance of animal welfare. The membership in the "Ross 420" forum allows to exchange novel ideas with global poultry magnates. An "Aviagen" representative praised our cutting-edge genetic practices.

AS Putnu Fabrika Kekava is also a member of the "Aviagen Kft Ross 420 Club".

GREEN SPOON



SIA Putnu Fabrika Kekava received a „Zaļā karotīte” (“Green spoon”) certificate back in 2015. This confirms that the fresh poultry products “Kekava” are produced in Latvia using local raw materials and meet high quality standards.

SIA Putnu Fabrika Kekava was the first company in the segment of manufacturers of meat products, to whom certificate “Green spoon” was given.

PRIVATE LABEL CONTRACTING

More than 40 major foreign companies, including large supermarket chains, trust their private label production to AB Kauno Grūdai.

We are ready to produce instant food products based on clients' recipes or the ones created by our R&D team.

Product assortment for Private Label: instant noodles, pasta, oatmeal, buckwheat, couscous, rice, granola, muesli, and superfood mix.

The majority of highest quality raw materials for instant noodles are made by AB Kauno Grūdai. Constantly improving recipes will allow your customers to enjoy only the highest quality products.

KEY INVESTMENTS

In 2022/23 we have invested EUR 30m in our operations in order to improve production efficiency.

For 2023/24 we have confirmed following investments:

- Expansion of instant noodle production (AB Kauno grūdai)
- Food segment product portfolio expansion (Grybai LT – soups, vegetables, porridges, etc in pouches)
- Expansion of breadcrumbs production Biogas plant in Lukšiai
- Active land portfolio management Dotnuva Baltic showrooms/centers in LT and LV
- New seed factory in Latvia

WE STRIVE FOR THE HIGHEST QUALITY AND CONSTANTLY IMPROVE EFFICIENCY



AB KAUNO GRŪDAI RECEIVED AN EXPORTER OF THE YEAR AWARD



PRODUCT OF THE YEAR AWARD FOR AS PUTNU FABRIKA KEKAVA



AFFORDABLE AND CLEAN ENERGY

HAY FOR HEAT PRODUCTION

Using hay for heat production in poultry farming is an alternative and potentially sustainable method for heating. When considering the traditional energy sources used in poultry farming, such as propane, electricity, or natural gas, hay could serve as an organic, renewable resource that can be produced on-site or sourced locally from our own farms.

HAY USED AS BIOFUEL ACCOUNTED FOR 2.3% OF TOTAL ENERGY USED



Advantages of hay as biofuel:

- Low environmental impact: Using hay as a fuel source promotes sustainable farming practices.
- Cost-effective: Depending on the local price of hay versus traditional fuel sources, hay might be a more economical option, especially if produced on-site.
- Carbon neutral: Burning hay releases carbon dioxide, but this is offset by the amount absorbed during its growth, making it potentially carbon-neutral.
- Renewable: Unlike fossil fuels, hay can be replanted and harvested annually.

Challenges of hay as biofuel:

- Infrastructure: Traditional heating systems in poultry houses are not designed to burn hay. Significant modifications or new equipment might be needed.
- Storage: Hay requires proper storage to prevent mold growth, which can produce toxins harmful to both humans and chickens.
- Consistency: Achieving a consistent heat output with hay can be more challenging compared to traditional fuels.
- Efficiency: The energy content of hay is generally lower than that of conventional fuels. Hence, larger volumes might be needed to produce the same amount of heat.

In conclusion, while hay can be considered an alternative heating source in poultry farming, it is essential to weigh its benefits against its challenges. It might be more suitable for smaller-scale or organic poultry farms focused on sustainable practices. However, technological advancements can potentially make it a more viable option for larger operations in the future.

SOLAR ENERGY PRODUCTION

The Group companies source almost all their electricity from renewable resources that are certified as green. During the reported period, the solar plant produced 85.9MWh, which was used for instant food production within AB Kauno Grūdai. At present, the solar energy from our plant represents 0.12% of the total electricity. After the end of FY 2022/2023 solar system was also installed in Kedainiai instant noodles plant (capacity: 160 MWh per year) and by the closing of calendar 2023 – additionally shall be operational in Coating system production plant (capacity: 60 MWh per year). Plans are in place to further assess the potential expansion of solar capacity.

BIOGAS PRODUCTION PLANTS

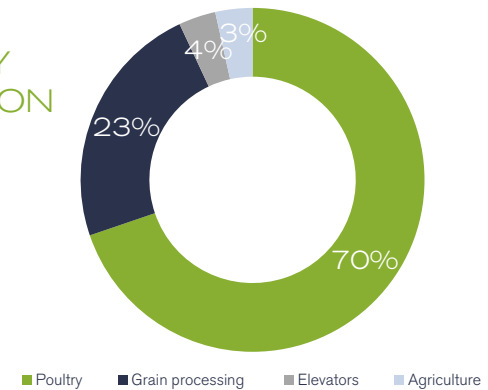
The Group has outlined plans to establish a biogas plant in the village of Plyniai, Šakiai district municipality, complete with biomethane purification equipment. The goal is to integrate it into the gas grid within three years and launch operations by 2025. This facility will include two bioreactors with a combined capacity of 415 m³/h or 3,635,400 m³ annually. The agricultural company, Šakiai District Lukšių ŽŪB, is spearheading this project. The biogas plant will utilise biodegradable waste and other materials from the Lukšių ŽŪB cattle unit and other affiliated entities to produce biogas. Additionally, the production process will generate digestate, a premium-quality fertiliser.

The Group also continuously assesses the viability of biogas production at other locations. we aim to install biogas plants in poultry farms both in Lithuania and Latvia by 2027/28. However, a large part of this will depend on the support from structural funds for the projects.

FOCUS ON ENERGY EFFICIENCY IS OUR STRATEGIC COMMITMENT



GREEN ELECTRICITY CONSUMPTION 2022/23



TOTAL OUTPUT OF ENERGY CONSUMPTION INTENSITY 2022/23



ENERGY CONSUMPTION

	GRAIN, OILSEEDS, AND FEED		PRODUCTS AND SERVICES FOR FARMING		AGRICULTURAL PRODUCTION		FOOD PRODUCTS		GROUP LEVEL	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Biofuel	0.0	0.0	0.0	0.0	0.0	0.0	8.6	4.5	8.6	4.5
Renewable Electricity	12.7	20.1	0.9	0.8	3.3	3.4	69.5	67.3	86.3	91.7
Natural gas	18.9	36.0	0.2	0.0	0.0	0.0	244.8	261.5	263.9	297.5
Electricity	0.2	0.0	0.3	0.2	0.1	0.0	0.8	0.3	1.3	0.5
Diesel for transportation	7.4	2.9	5.2	5.3	3.8	0.0	20.7	17.0	37.3	25.2
Diesel for heating of elevators	0.1	0.6	0.0	0.0	1.5	2.0	0.0	0.0	1.6	2.5
Diesel in agriculture	0.0	0.0	0.2	0.0	25.05	24.5	0.0	0.0	25.25	24.5
Petrol for transportation	1.8	0.5	0.8	0.5	0.05	0.1	2.8	1.9	5.45	3.0
LPG for transportation	0.1	0.0	0.0	0.0	0.0	0.0	0.4	0.2	0.5	0.3
LPG for heat production	1.2	4.0	0.3	0.2	0.5	0.4	17.9	0.0	19.9	4.5
Heating	0.0	0.4	0.4	0.4	0.0	0.0	0.0	0.1	0.45	0.9
TOTAL ENERGY USED	42.4	64.5	8.3	7.4	34.3	30.3	365.5	352.8	450.5	455.0
% of renewable energy	29.95%	31.18%	10.84%	11.20%	9.62%	11.22%	21.36%	20.35%	21.07%	21.14%

Energy consumption GWh, Linas Agro Group, AB, 2021/22-2022/23

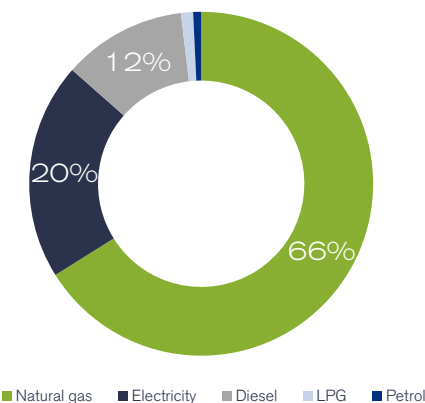
Compared to the previous period, total energy consumption declined by 4.4 GWh and amounted to 450.5 GWh.

Group-wide, natural gas consumption accounts for 58.6% of total energy used. 80% of the total natural gas was used in poultry production. The poultry business is especially sensitive to temperature variations. To maintain antibiotic-free production at 100%, there is limited scope for potential energy reductions. Additionally, as biosafety and animal wellbeing requirements have become stricter over time, energy savings are primarily achieved through improved building insulation and the introduction of alternative energy sources. All poultry houses and production facilities are regularly audited to assess the need for energy efficiency-related investments. Due to high prices of natural gas, dependency on this fuel was softened by the shift to LPG for heat production.

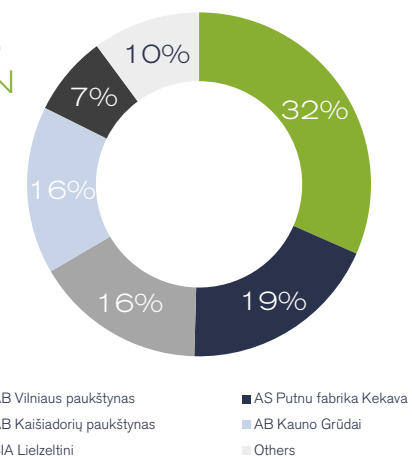
Virtually all electricity consumed by the Group companies came from renewable resources. In total, renewable energy amounted to 21.1%.

Crop cultivation was the key contributor to the consumption of fuel, 37% of fuel-generated energy was required for crop production. Introduced sustainable agricultural practices reduce the number and extent of operations over grain production cycle, resulting in reduced fuel consumption and increasing energy efficiency. The increase in fuel for transportation is attributed to the improved data collection process.

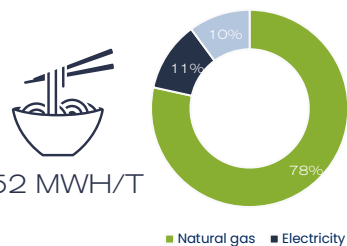
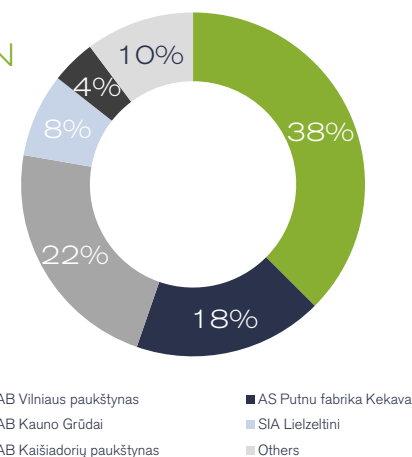
GROUP ENERGY MIX GWH, 2022/23



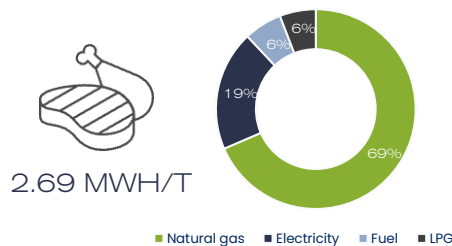
NATURAL GAS CONSUMPTION 2022/23



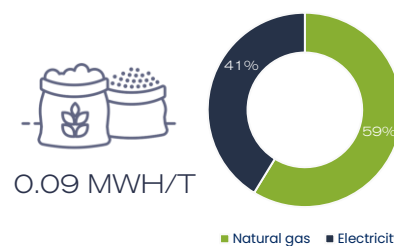
ELECTRICITY CONSUMPTION 2022/23



Energy intensity and energy mix, instant food, Linas Agro Group, AB, 2022/23



Energy intensity and energy mix, poultry production, Linas Agro Group, AB, 2022/23



Energy intensity and energy mix, compound feed production, Linas Agro Group, AB, 2022/23

CLIMATE ACTION

GHG emissions and contribution to the climate change is one of the key adversities generated by our Group activities. We are committed to decreasing our dependency on fossil fuels as well as optimising GHG emissions related to animal rearing, manure management, and soil management.

COWS AND CLIMATE CHANGE

Absolute emission reduction is critical, as the world moves towards carbon neutrality by 2050. We recognise the responsibility of the dairy sector to develop sustainably; however, the mitigation potential of the industry will remain limited by biological processes.

In 2022/23, total enteric emissions by our ruminants accounted for 17.1% of total Scope 1 GHG emissions generated by the Group activities. In order to reduce negative impacts of milk production, we focus on the efficiency of dairy farming to achieve declining emission intensity per product.

Focus on productivity over the reporting period resulted in the decline of average enteric GHG emissions per ton of ECM produced by our dairy cattle, which amounted to 0.37t CO₂eq to 0.33t CO₂eq.

SOIL GHG EMISSIONS

Agricultural soil is a dynamic biological system that sequesters and emits greenhouse gases. In 2022/23, total emissions from managed soils amounted to 23.6 thousand tons of CO₂eq or 17.6% of total Scope 1 emissions by the Group. The most conservative estimate indicates that the soil sequestered approximately 21.6 thousand tons of CO₂eq. Therefore, adjusted to estimated sequestration, total emissions from managed soils amount to 2.4% of the entire Scope 1 GHG emissions by the Group.

POULTRY AND CLIMATE CHANGE

The poultry segment, like many other agricultural sectors, has a two-fold relationship with climate change. On one hand, poultry production contributes to global greenhouse gas (GHG) emissions; on the other, the industry is vulnerable to the impacts of the changing climate. Below is a comprehensive look at this relationship:

Direct emissions: Methane (CH₄) and nitrous oxide (N₂O) are released from manure management.

Indirect emissions: Emissions from feed production can be significant. Producing the grain used in poultry feed requires fertiliser, which emits nitrous oxide. Additionally, land-use changes for feed crop production contribute to carbon dioxide emissions.

Energy use: Heating, cooling, and general operations in poultry houses rely on energy, often from fossil fuels. While we are able to virtually eliminate scope 2 emissions by switching to green electricity, scope 1 emissions remain significant.

Impact of climate change on poultry production:

Heat stress: Poultry are particularly sensitive to heat. Elevated temperatures can reduce feed intake, growth rates, and egg production, and can increase mortality rates.

Disease dynamics: Changing climates can influence the range and lifecycle of many poultry diseases and pests.

Feed grain production: Climate change can affect the yield of feed grains, influencing the cost and availability.

Water availability: As climate patterns shift, some regions may experience water scarcity, impacting poultry operations.

FIRST STEPS

Vilniaus Paukštynas is the first Lithuanian company to acquire a biomethane-powered truck. The company is evaluating the addition of more such vehicles to its fleet. Biomethane trucks can cut CO₂ emissions by up to 90%, according to Scania Lietuva. These vehicles also operate more quietly, benefiting drivers and the public alike. After a year-long testing phase of the truck in Lithuania, Vilniaus Paukštynas decided on its purchase. By early April, 2023, ten more such trucks were acquired by various Lithuanian enterprises.

SCOPE 3 EMISSIONS CHALLENGE

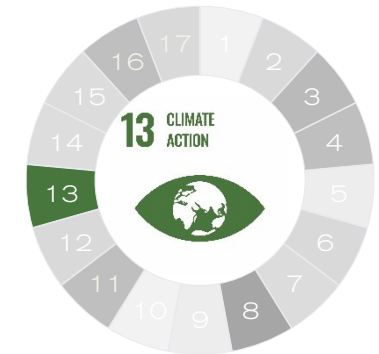
We are responsible for all the stages of production, from feed production to the final sale of food products. As such, the GHG emissions for us encompass the entirety of the production chain.

Quantifying the exact GHG Scope 3 emissions for our Group requires detailed data on each of these stages. Factors like the type of energy used (renewable vs. non-renewable), the efficiency of operations, the sources and processing methods of feed, and waste management practices will all influence the total carbon footprint.

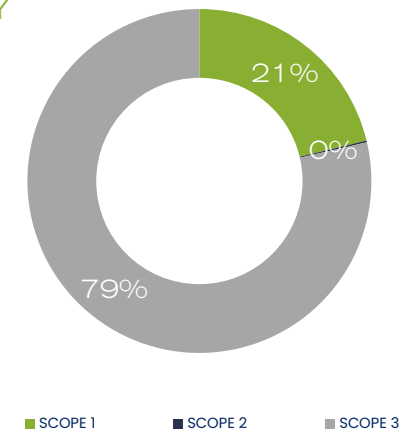
We are keen on improving the reliability of our Scope 3 estimates; however, taking into account the complexity of our supply chain, it is too early to set reliable strategic commitments.

CLIMATE POSITIVE GOODS

It is our strategic commitment to promote climate positive goods and machinery to local farmers making an indirect impact to GHG emission reduction.



EMISSIONS BY SCOPES



THE FIRST BIOMETHANE-POWERED TRUCK IN LITHUANIA

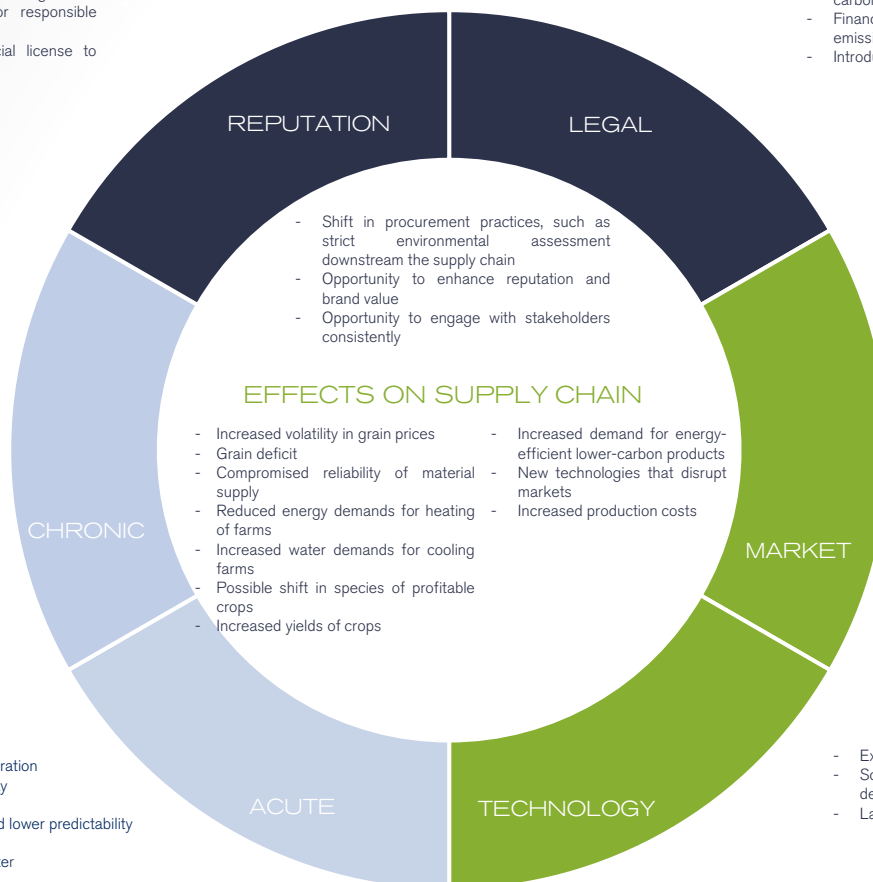


CLIMATE CHANGE RISKS

- Concerns about GHG emissions
- Accusations about greenwashing
- Growing expectations for responsible manufacturing
- Threats to securing social license to operate
- Pressure on dairy industry

- Higher livestock mortality rates due to increase in temperature and number of hot days
- Increasing yield volatility due to changing climate conditions
- Soil erosion
- Overall reduction in livestock productivity
- Heat Stress:
 - Reduced conception rates
 - Milk quality decline

- Disease and Pest Proliferation
- Infrastructure vulnerability
- Reduced Yields
- Precipitation volatility and lower predictability
- Damaged crops
- Extreme cold during winter



OUR ACTIONS



REPUTATION & LEGAL

- 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

MARKET & TECHNOLOGY

- Prioritisation 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

PHYSICAL RISKS

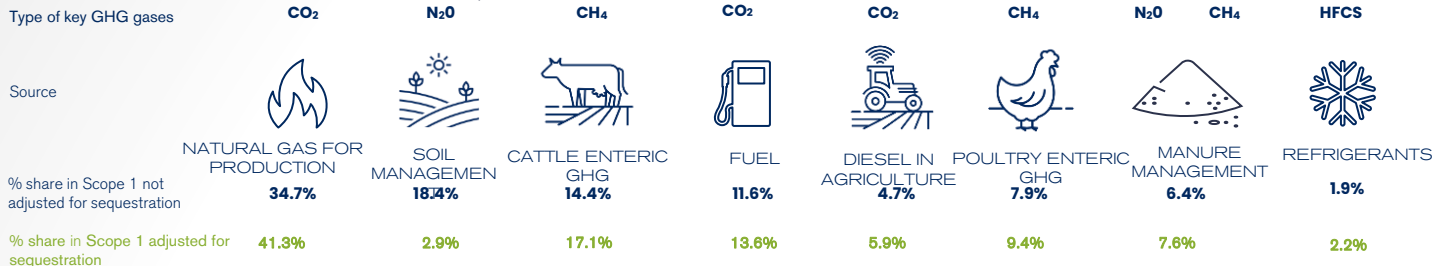
- Employing sustainable agriculture practices
- Developing precision farming tools
- Livestock is highly sensitive to extreme temperature changes
- Assessing and implementing advanced control of the microclimate
- Operating broiler houses at full capacity with bird flocks of uniform size is a common practice, one which enables more accurate control of the microclimate inside the barn and improves efficiency
- Improved Climate Change Scenario
- Promoting climate-positive agriculture innovation in products and services for farms

We performed qualitative climate change risk analysis based on TCFD (Task Force on Climate-related Financial Disclosures) reporting principles. Quantitative analysis was chosen over the qualitative analysis due to the limited reliable tools and scenarios to assess climate change-related risks specific to our region and business lines. We understand that quantitative climate change scenario analysis would be of value for our stakeholders and eventually we would have reliable tools to model possible long-term effects on our supply chains and business lines.

Please consult [ANNEX VII GHG INVENTORY](#) for specific climate change disclosures published by the Group

GHG EMISSIONS: SCOPE 1, 2 & 3

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, NOx, etc., are not included in Scope 1. Total Scope 1 GHG emissions over the reported period amounted to 135.15 thousand tons of CO₂eq. We estimate that the sequestration of organic carbon in managed soil could account for 21.58 thousand tons of CO₂eq, which could potentially reduce our Scope 1 emissions down to 113.57 thousand tons of CO₂eq.



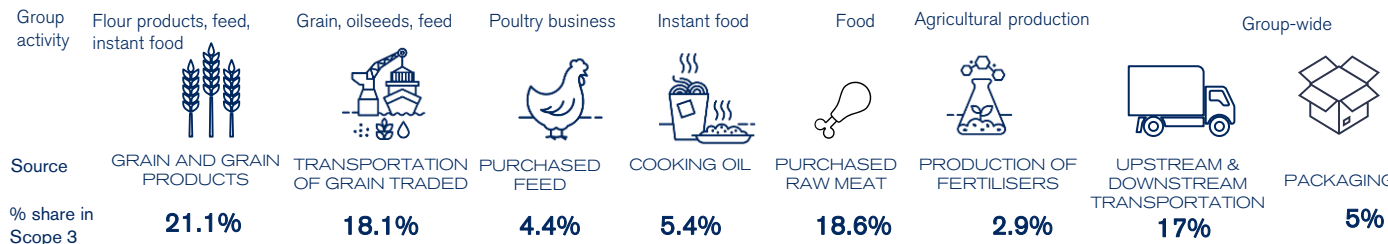
Scope 1 GHG emissions by source, thousand tCO₂eq, LINAS AGRO GROUP, AB, 2022/23

SCOPE 2: It represents emissions that our companies caused indirectly when the energy (electricity and heating) we purchase has been produced by third party providers. 98.5% of electricity consumed by the Group companies came from renewable sources; thus, Scope 2 GHG emissions are virtually non-existent. Essentially, the difference between location-based and market-based volumes of GHG emissions equals to avoided GHG emissions; in other words, we avoided 29.5 thousand tons of CO₂eq in 2022/23.

	GRAIN, OILSEEDS, FEED		PRODUCTS & SERVICES FOR FARMING		AGRICULTURAL PRODUCTION		FOOD PRODUCTS		GROUP LEVEL	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Scope 1	5.97	8.3	1.66	1.5	54.86	55.0	72.65	69.0	135.15	133.8
Scope 2 (location-based)	4.4	8.1	0.5	0.5	1.1	1.3	23.9	26.0	29.9	35.9
Scope 2 (market-based)	0.04	0.07	0.14	0.2	0.01	0.0	0.17	0.1	0.36	0.4
Scope 3	321.9	410.1	26.6	26.3	24.2	25.9	178.3	90.2	551	552.5
Total (location-based)	332.27	426.5	28.77	28.3	80.2	82.2	274.9	185.2	716.1	722.2
TOTAL (market-based)	327.9	418.5	28.4	28.0	79.1	80.9	251.1	159.3	686.5	686.7

GHG emissions by business segments, thousand tCO₂eq, LINAS AGRO GROUP, AB, 2021/22 – 2022/23

SCOPE 3: Other indirect emissions are consequences of the activities of the company, but those that occur from sources neither owned, nor controlled by the Group. Notable increase in of SCOPE 3 emissions in FOOD segment is attributed to addition of AB Kauno Grūdai food business (part of Grain, oilseed, feed previous year) and increased volumes of meat source outside the Group. We acknowledge the lack of reliability of final numbers for Scope 3 calculations due to a wide range and complexity of data which is not directly available. We are ready to improve data collection process through supplier assessment in the future.

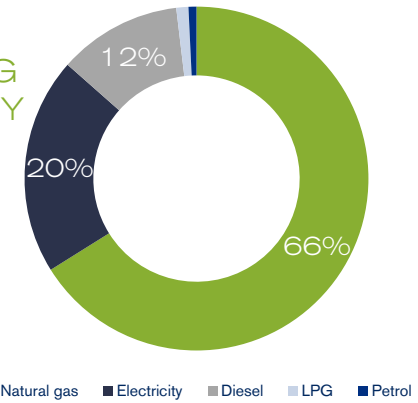


Scope 3 GHG emissions by activity, thousand tCO₂eq, LINAS AGRO GROUP, AB, 2022/23

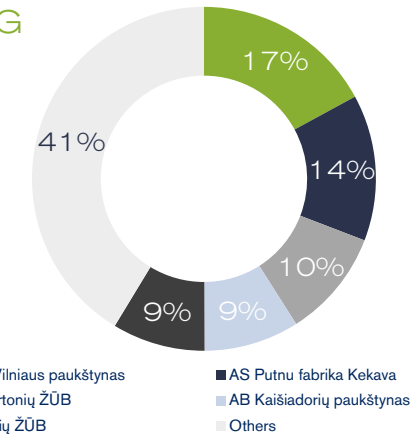
For detailed GHG inventory and methodology, please consult [ANNEX VII GHG INVENTORY](#)

GRI: 3-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6

SCOPE 1 GHG EMISSIONS BY SOURCE 2022/23



SCOPE 1 GHG EMISSIONS 2022/23



SCOPE 3 GHG EMISSIONS 2022/23

EMISSION SOURCE	ktCO ₂ eq	%
Production of inputs	339.2	61.6%
Transportation of grain traded	100	18.1%
Downstream transportation of products	43	7.8%
Upstream transportation of inputs	24.6	4.5%
Transportation of products for farmers	25.9	4.7%
Well to tank (fossil fuels)	13.7	2.5%
Other	4.6	0.8%
Total	551	100%

LIFE ON LAND

Oversight of 0.8% of Lithuania's arable land places upon us a substantial responsibility. Our mission is clear: advocating for sustainable farming that is economically sound while preventing land degradation. Simultaneously, our operations aim to mitigate the challenges posed by invasive species. Our strategy integrates managing direct effects in agriculture and poultry to indirect effects linked to promoted farm equipment.

ANIMAL WELFARE

While animal welfare is not explicitly mentioned in the SDGs, it is crucial to recognise that the humane treatment of animals aligns with the broader ethos of the SDGs, which is to create a more sustainable, equitable, and compassionate world.

While their primary focus is on wild species and habitats, the principles of conserving biodiversity and ensuring that the use of ecosystem services is sustainable can indirectly relate to animal welfare.

We are committed to and responsible for meeting the animals' physiological and etiological needs, from hatching to slaughtering.

All our companies engaged in poultry and cattle farming business are obliged to comply with national and European Union laws and regulations, including the world-renowned animal welfare standard, or The Five Freedoms:

- Freedom from thirst, hunger, and malnutrition: all birds are provided with free access to water and balanced nutritious feed based on animal needs by breed, age, and life stage.
- Freedom from fear and distress by ensuring conditions and treatment, which allow to avoid mental suffering. We provide animals with gentle and attentive care at all times: while growing, during transportation to the slaughterhouse, and throughout the slaughter process.
- Freedom from physical and heat-related stress and discomfort. We provide a safe and comfortable living space for animals, protecting them from frost, rain, draught, extreme temperatures, and predators. They are raised in large, open broiler houses. The houses are well-equipped with mechanical systems to deliver feed and water to the animals, and have environmental systems to provide a comfortable and protective environment, including ventilation systems and heaters. Rest period is provided, including the period of darkness.
- Freedom from pain, injury, and disease. Our team of highly trained qualified professionals is constantly monitoring all birds and ensure humane treatment of sick animals and slaughter animals. Animal health surveillance, disease prevention, and control are performed by certified veterinarians.
- Freedom to express normal behaviour. We provide animals with sufficient space, dry, clean, and soft bedding, and company of the birds' own kind.

Managing directors of farming companies are obliged to ensure the compliance to animal welfare standards at all phases of animal lifecycle. Compliance assessment is conducted regularly on a farm level.

BIODIVERSITY

Possible biodiversity loss due to conversion of forests or other natural habitats to agricultural land for crop cultivation, poultry, or cattle farming can be regarded as one of adverse effects of our activities.

Pest and invasive species management: Embracing IPM (Integrated Pest Management) reduces chemical dependencies. Our product trade, primarily to local farmers, aligns with this ethos, designed to counter the introduction and amplify the reduction of invasive alien species. Plant protection used by our farms range from non-hazardous to moderately hazardous. Total consumption volume amounted to 91 ton or 4.7 kg per ha.

Reforestation & habitat conservation: We do not face challenges directly. However, procurement of materials, namely soy, might be challenging. Our trade policies favour sustainably-grown grains, advocating against deforestation and unnecessary land-use changes. We strive to mitigate deforestation risks through trade agreements. Additional due diligence might be required following stricter regulations.

Poultry waste management process is strictly regulated to ensure the prevention of natural habitat and water source contamination. Our no-antibiotics policy further protects the soil from resistant bacteria.

NATURA 2000

None of our operational sites border NATURA 2000 territories.

FUTURE OUTLOOK

The European Commission's Farm to Fork Strategy, part of the European Green Deal, emphasises the need for improved animal welfare and proposes revising the existing animal welfare legislation.

WE PROMOTE ENVIRONMENT-POSITIVE EQUIPMENT, FETILISERS, AND PLANT CARE PRODUCTS



USE OF PLANT PROTECTION PRODUCTS



■ Herbicides ■ Fungicides ■ Insecticides

OVER 2022/23, WE RAISED 49.8M BROILERS



MATERIALS

Dairy and poultry production are circular businesses; virtually all material inputs for the business segment are renewable. In turn, manure is used to fertilise crops which are consequently used as feed for the animals or processed to grain-based products.

FRESH POULTRY AND MEAT PRODUCTS

Our key responsibility is to deliver top quality nutritious and safe products to your table.

Packaging is the largest non-food category among our inputs. Due to the sanitary requirements for food packaging, only secondary packaging might contain recycled materials; thus, our task is to constantly look for opportunities to reduce product packaging intensity without compromising food safety.



96.7% OF RENEWABLE MATERIALS 2022/23

COMPOUND FEED

Over the reporting period, compound feed accounted for the major part of our production, so almost 40% of total output was sold in bulk.



95% OF RENEWABLE MATERIALS 2022/23

AGRICULTURE

90.9% OF RENEWABLE MATERIALS FOR GRAIN GROWING 2022/23



On average, 82% of total feeding material was grown and prepared independently by our agricultural companies. More than half of remaining feedstuff was procured within the Group.

Consolidated agronomic know-how and exposure to the most innovative solutions Group-wide contribute to the more sustainable management of crop fields. We are constantly working to optimise the productivity of our crops to obtain better value for the society in the form of food and to keep adverse effects on the environment at the lowest possible level.

In absolute volume terms, organic fertilisers, such as slurry and solid manure, accounted for 90.5% of the total input used for crop production in our fields.

GRAIN-BASED FOOD

Development of higher value added product lines, such as flour mixes and instant food, implies a growing use of semi-manufactured food and additives, such as dried fruit and vegetables, broth, spices, and sugar. In other words, virtually all ingredients are plant based and renewable.

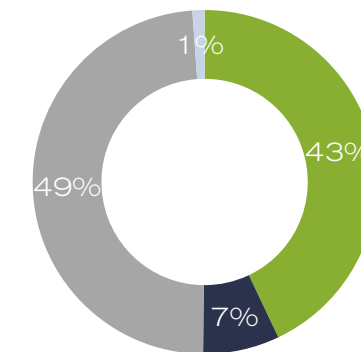


99.9% OF RENEWABLE MATERIALS 2022/23

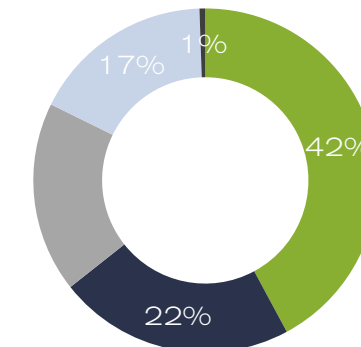
EFFICIENT PRODUCTION, PACKAGING & CORRECT LABELLING REDUCES FOOD WASTE



PACKAGING 2022/23



NON-RENEWABLE MATERIALS 2022/23



WATER

SOURCE	GRAIN, OIL SEEDS AND FEED		PRODUCTS AND SERVICES FOR FARMING		AGRICULTURAL PRODUCTION		FOOD PRODUCTS		TOTAL GROUP	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Tap water	35.5	100	3.8	2.8	1.4	1.0	121	31.5	161.7	135.8
Water from well	0	0.1	0	0	200.9	187.3	1839.5	1784.1	2,040.4	1971.6
Surface water	0	0	0	0	9.9	10.6	0	0	9.9	10.6
TOTAL	35.5	100.1	3.8	2.8	212.2	198.9	1960.5	1,815.6	2,212.0	2,118.0

Water withdrawal by source, Linas Agro Group, AB, million litres, 2021/22 – 2022/23

NOTE:

Not all rented offices have individual waste metering system.

Water consumption for flour, instant food, and flour mixes is included in Food products for 2022/23 (for 2021/22, were included in Grain, Oilseeds and Feed category business segment).

Water embedded in processed materials was not estimated.

WATER IN OUR BUSINESS

Compared to FY 2021/22, total water withdrawal over the reporting period increased by 4% and accounted for 2,212.0 million l, equivalent to 2.3 Olympic swimming pools daily.

According to the OECD, both Lithuania and Latvia have an abundant freshwater supply. Water is an essential daily need for livestock; we are committed to maintaining the highest animal welfare standards. Thus, no optimization of water consumption by animals is planned. All production sites operate in water-rich areas; water from own wells accounts for 93% of total water withdrawal.

Poultry business is the most water-intensive activity within the Group, accounting for 86% of total water withdrawal. Besides water for chicken consumption, we use water to clean poultry houses after each cycle (every 37-42 days). Water intensity can be decreased by improving the floor surface of poultry houses to facilitate more efficient cleaning. In recent years, we have renewed the flooring surfaces of poultry farms in Latvia.

Water is also used for cooling livestock. Livestock, especially chicken, are very sensitive to heat-related stress; thus, water consumption for cooling our animals is estimated to increase as a result of the climate change.

MANAGEMENT OF EFFLUENTS

Our activities generate considerable amount of waste water which is a major adverse impact. Poultry business is the most water-intensive segment within the Group, accounting for 94.4% of total waste water. In Latvia, all waste water from operations is directed to the sewage network for third party treatment. AB Vilniaus Paukštynas use own treatment facilities; waste water from smaller poultry companies in Lithuania is sprayed on the manure and used as fertiliser. Following the closure of slaughtering and processing units in AB Kaišiadorių Paukštynas, the amount of effluents decreased drastically, resulting in a decline of untreated waste water directed to the third party treatment facilities in Kaišiadorys.

TYPE	GRAIN, OIL SEEDS AND FEED		PRODUCTS AND SERVICES FOR FARMING		AGRICULTURAL PRODUCTION		FOOD PRODUCTS		TOTAL GROUP	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Untreated directed to third party treatment facilities	14.0	85.7	0.9	1.1	6.0	2.2	152.7	436.2	173.6	525.2
Partially treated directed to third party treatment facilities	0.0	0.0	0.0	0.0	0.0	0.0	384.9	316.9	384.9	316.9
Completely treated	0.0	1.0	1.2	0.2	0.1	0.0	901.0	770.9	902.3	772.1
TOTAL	14.0	86.7	2.1	1.3	6.1	2.2	1,438.6	1,524.0	1,460.8	1,614.2

Effluent by type of discharge, Linas Agro Group, AB, million litres, 2021/22 – 2022/23

NOTE:

Not all rented offices have individual waste water metering system.

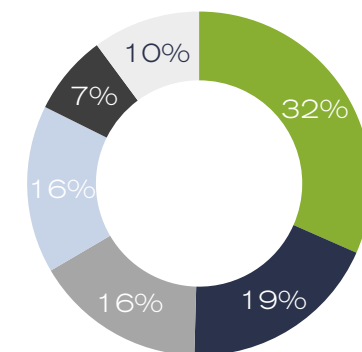
We do not include evaporation from grain drying process.

GRI: 2-25, 3-3, 303-1, 303-2, 303-3, 303-4, 303-5, 306-1

WASTE WATER MANAGEMENT IS OUR KEY RESPONSIBILITY

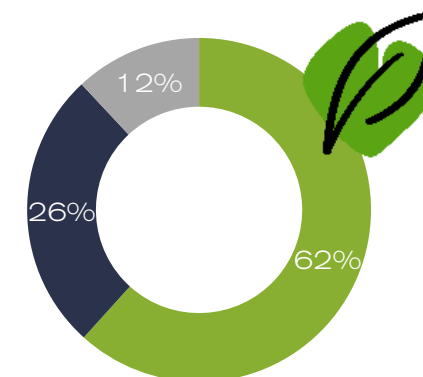


WATER WITHDRAWAL 2022/23



■ AB Vilniaus paukštynas
■ AS Putnu fabrika Kekava
■ AB Kaišiadorių paukštynas
■ AB Kauno Grūdai
■ SIA Lietzeltini
■ Others

EFFLUENT DISCHARGE 2022/23



■ Completely treated
■ Partially treated to third party treatment facilities
■ Untreated to third party treatment facilities

WASTE

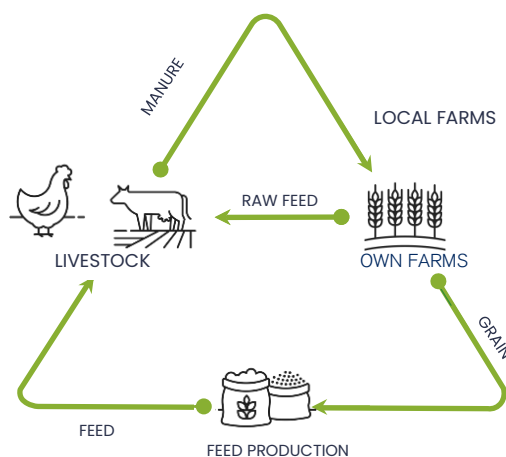
	HAZARDOUS OFFSITE		NON-HAZARDOUS ONSITE		NON-HAZARDOUS OFFSITE		TOTAL	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
DIVERTED FROM DISPOSAL								
Manure and sludge	0	0	157,855	209,533	100,047	39,8	257,902.8	249,333
Reuse	0	0	669	1	0	0	669	1,000
Recycling	1	0	324.1	143.8	2,114	1,996	2,439.1	2,139.8
Other recovery operations	86	11	0	257.4	9,031.5	7,052	9,117.6	7,320.4
TOTAL DIVERTED FROM DISPOSAL	87	11	158,848.3	210,934.2	111,193.1	48,848	270,128.4	259,793.2
DIRECTED TO DISPOSAL								
Incineration (with energy recovery)	0	0	0	0	562.3	602.67	562.3	602.7
Incineration (without energy recovery)	20	66	0	0	0	1,108.48	20.0	1,174.5
Landfilling	6	73.84	0	0	3,268.5	2,050	3,274.9	2,123.8
Other disposal operations	53	16	0	0	5.1	0	57.8	15.7
TOTAL DIRECTED TO DISPOSAL	79	156	0	0	3,835.9	3,761	3,915.1	3,916.6
Total waste	166	167	158,848.3	210,934.2	115,029.6	10,813	273,856	263,707
WASTE EXCLUDING MANURE	166	167	993.1	1401.2	14,981.5	12,809.1	16,140.7	14,376.8

Waste generated t, Linas Agro Group, AB, 2021/22 – 2022/23

NUTRITION LOOP

Agriculture and food industry form a loop of nutrients. For example, animal waste (manure) is applied as an organic fertilizer which increases crop yields and is used as feedstuff for the livestock.

90% of total waste Group-wide actually is fertilizer which is a valuable nutrition source.



Nutrition loop, Linas Agro Group, AB

HAZARDOUS WASTE

Total volume of hazardous waste amounted to 166 tons Group-wide, which accounted for 0,06% of total waste generated and 4% of total waste directed to disposal.

NON-HAZARDOUS WASTE

Non-hazardous waste mainly consists of animal products not fit for human consumption, construction waste, and packaging.

OTHER RECOVERY OPERATIONS

We sell animal sub-products not fit for human consumption to pet food and other manufacturers. This way poultry processing has virtually no waste, all parts of animals are used to retrieve calories and nutrients. Other recovery operations also refer to up-cycling and reuse of waste generated. For example, reuse of packaging. Non-standard noodles are used for pet food.

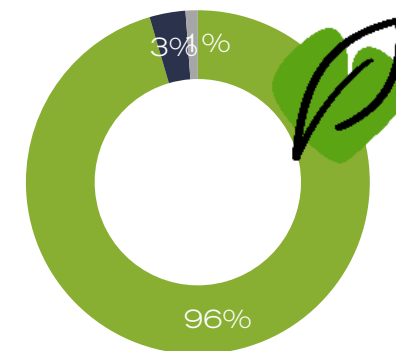
BIOGAS PRODUCTION

In Latvia, fallen birds and part of animal by-products are utilized for biogas production (third party).

RECYCLING

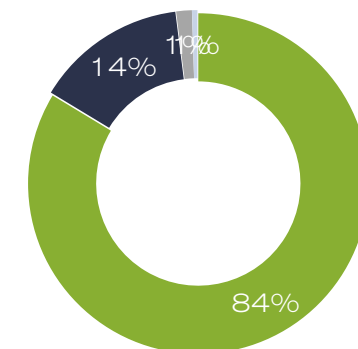
Whenever possible, we aim to recycle both administrative and production waste. Recycled waste mostly consisted of packaging and electronics.

WASTE DIVERTED FROM DISPOSAL 2022/23



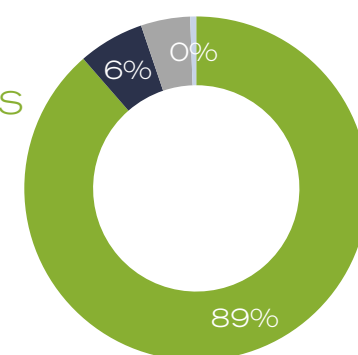
WASTE DIRECTED TO DISPOSAL 2022/23

■ Fertilising soil ■ Other recovery operations ■ Recycling



■ Landfilling
■ Incineration (with energy recovery)
■ Other disposal operations
■ Incineration (without energy recovery)

WASTE GENERATED BY SEGMENTS 2022/23



■ Food products
■ Grain, oil seeds, and feed
■ Agricultural production
■ Products and services for farming

NO POVERTY

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 (specialized retail shops)
- Career opportunities: attracting young professionals to rural areas
- Promoting positive and innovative image of farming

INSTANT NOODLES AND PORRIDGES PROVED VERY USEFUL IN THE WAR ZONE



GIVING BACK TO SOCIETY

It is our privilege and duty to support social initiatives which align with our values:

- Local communities
- Projects building resilient society
- Farmers' and other agricultural organisations
- Training and educational institutions
- Children and youth engagement projects
- The most vulnerable society groups, such as people with limited physical or mental capabilities
- Child foster homes, child medical institutions
- Health promotion and environmental projects
- Unwavering support for Ukrainian armed forces

EMPLOYEE WELFARE

The success of our business is our employees.

Our strength is not only technological competence, but also our team which consists of almost 5,000 qualified and knowledgeable industry professionals, including engineers, food technologists, poultry farmers, laboratory assistants, logistics specialists, highly motivated sales and marketing professionals who are flexible and dedicated to the customers' needs.

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 fertilisers and quality seeds available for better crop yields
- Providing quality feed and health products for poultry
- 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

PROMOTION OF AFFORDABLE FOOD PRODUCTS

- Flour: Flour is a staple in many diets. By producing affordable, quality flour and related products, companies can ensure that even low-income families can access basic food.
- Dairy: Dairy products are primary sources of calcium and other essential nutrients. Ensuring that milk and other dairy products are affordable helps combat malnutrition, especially among children.
- Poultry: In many countries, chicken is one of the most affordable sources of protein. Making it accessible to all economic classes plays a role in reducing hunger and malnutrition, which are closely linked to poverty.

21.7 THOUS. T OF INSTANT FOOD



FOSTERING RESILIENT COMMUNITIES



50+ LOCAL COMMUNITIES ARE OUR NEIGHBOURS



99% EMPLOYEES LIVE IN LOCAL COMMUNITIES



ZERO HUNGER

CERTIFIED SEEDS

Quality seeds are the cornerstone of food industry. We produce and sell certified seeds adapted to local conditions, contributing to genetic diversity and productivity of crops.

FOOD WASTE PREVENTION VIA PEST CONTROL

AB Kauno Grūdai has been offering pest control services and products.

CAREFUL ADVICE AND QUALITY PRODUCTS

We help our clients build integrated pest control programs in compliance with BRC, ISO, and other certifications. Pest control is a critical process ensuring the quality of food materials, produced and stored food. Everyday we help our Group companies and clients assure food safety and quality and prevent loss of materials and production.

Providing farmers with quality fertilizers and machinery can increase crop yields, ensuring a more abundant food supply.

The scale and know-how of our agricultural companies help us maintain high productivity.

Our dedicated teams of professionals look for the right solutions for each individual farm. We consult and give advice to attain the best possible yield and highest income.

We cooperate with the world's most famous agrochemical companies, which allows us to share and help implement the best world-class agricultural practices.

BIOSECURITY

Biosecurity refers to procedures used to prevent the introduction and spread of disease-causing organisms in poultry flocks. All people who come into contact with chicken must follow strict biosecurity standards:

- Keeping visitors to the minimum
- All visitors must take a shower before entering farming spaces
- All visitors must wear personal protective equipment at all times
- People showing symptoms of contagious illness are not allowed to the chicken barn
- Ensuring sound rodent and pest control
- Avoiding contact with wild or non-commercial birds
- Controlling humidity and ensuring good ventilation
- Making sure all facilities are cleaned and maintained to the maximum standard

MOST AFFORDABLE NUTRITION SOURCE

Poultry, especially chicken, has emerged as one of the primary sources of animal protein in many parts of the world.

- Rapid growth rate: Broiler chickens, which are raised for meat, have been selectively bred to grow quickly. Within 6 to 7 weeks, they can reach a marketable weight, allowing for quick turnovers and consistent supply.
- Feed efficiency: Chickens convert feed into protein more efficiently than many other animals. This means they require less feed per unit of weight they gain, making their production more cost-effective.
- Space efficiency: Poultry requires less space compared to other livestock, such as cattle or pigs. This space efficiency means more birds can be raised in a smaller area, leading to higher production density.
- Short production cycle: Because of the rapid growth rate of broilers, poultry farmers can have several production cycles in a year, ensuring a steady income and consistent supply for consumers.
- Broad consumer acceptance.
- Versatility in cooking: Chicken is versatile and can be prepared in countless ways.
- Health and dietary benefits: Chicken, particularly its lean parts, like the breast, is low in fat and calories compared to some other meats. It is also a good source of essential vitamins and minerals.

Dairy products are a source of essential nutrients, like calcium and protein, contributing to improved nutrition. Grain based products, such as flour, are main staple foods.

SOIL HEALTH

We have run the agricultural business since 1993. The area of managed land limits the development of this segment; therefore, we are bound to make sure the soil is managed in a balanced and sustainable manner.

Since 2016, all our farms are shifting their focus towards more sustainable agricultural practices:

- Reducing tillage
- Avoiding soil compaction by the reduced number of treatment
- Introducing cover crops
- Better crop rotations
- Organic fertilisers: in total, organic fertiliser used amounted to 90 thousand tons per reporting period
- Precision farming
- Integrated pest management ensures long-term soil health and reduces the risk of crop failure

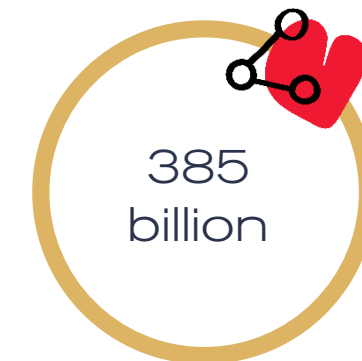
WE ENSURE STEADY SUPPLY OF LOCALLY PRODUCED FOOD



UAB DOTNUVA SEEDS PRODUCED 27 THOUS. tons OF CERTIFIED SEEDS



CALORIES PRODUCED WITHIN THE GROUP



OUR PEOPLE



	NUMBER OF EMPLOYEES	NUMBER OF FTEs	FULL TIME EMPLOYEES	PERMANENT CONTRACT EMPLOYEES	TEMPORARY CONTRACT EMPLOYEES	PART-TIME CONTRACT EMPLOYEES
Female	2,415	2,340.99	2,304	2,330	85	111
Male	2,541	2,476.02	2,435	2,461	80	106
Total	4,956	4,816.01	4,739	4,791	165	217

Employees by type of contract and gender, 30 Jun 2023

NOTE: employees number does not include data of companies not included in Sustainability report (please refer to [ANNEX IV](#)) also do not eliminate multi-company employee numbers (some employees are employed in several group companies)

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.

On 14 March 2022, the activities of the slaughtering and cutting shop of AB Kaišiadorių Paukštynas were suspended as a result of operations being transferred to AB Vilniaus Paukštynas slaughtering and cutting shop.

When comparing the results of the FY 2021/22 and 2022/23, it should be taken into account that discontinuing of slaughtering activities and further optimisation of business at AB Kaišiadorių Paukštynas resulted in a drastic decrease in employee number. As a result, employee turnover rate in FY 2021/22 spiked up to 55.3%.

EMPLOYEE RETENTION

Long-term employees (working for over 12 months) accounted for 86.1%. In other words, nine out of ten people work with us longer than one year. Naturally, retention rates vary depending on the position held by employees and a business segment. For example, managers tend to stay within the Group longer than line workers. We believe this is a healthy tendency which strengthens our long-term prospects.

NEWLY HIRED EMPLOYEES

Over the reporting period, we hired 1,678 new people (9.2% increase compared to 2021/22). 727 or 43.3% of new colleagues were females. Distribution by age was similar both among female and male new hires.

	2022/23	2021/22
Employee turnover rate	25.9%	55.3%
Employee retention rate	86.1%	90.8%

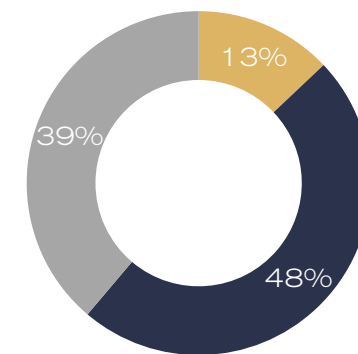
WORKERS WHO ARE NOT EMPLOYEES

Workers not classified as employees are all line workers. By the close of the reporting period, we engaged 327 contract employees, making 6% of our total workforce. These contracted workers were all part of the poultry division, accounting for 16% of all workers in that segment. 231 of these contractors worked at AS Putnu fabrika Kekava, comprising 20% of the total workforce in the Latvian poultry segment. In contrast, the Lithuanian poultry sector had 95 non-employee workers, representing 5.2% of the entire segment workforce.

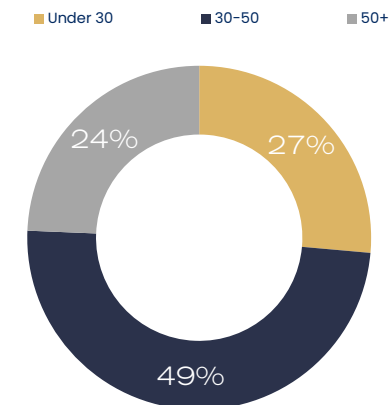
PARENTAL LEAVE

122 females and 28 males took parental leave in 2022/23. All heads of our companies are obliged to make sure all people are granted the same or higher position and duties upon the return from parental leave. In total, 36 female and 37 male employees returned from parental leave to their positions in 2022/23.

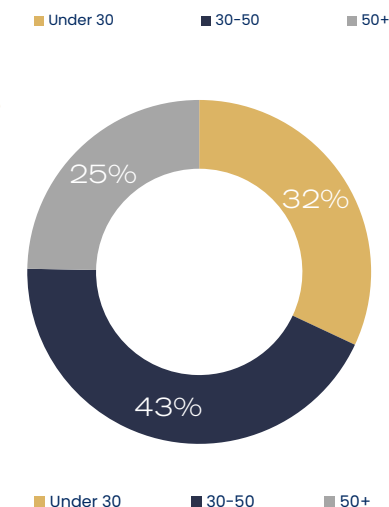
4,956
EMPLOYEES
BY AGE
30 JUN 2023



727 NEWLY
HIRED
FEMALES BY
AGE



951 NEWLY
HIRED MALES
BY AGE



GOOD HEALTH AND WELL-BEING

FOOD SAFETY

It is our prime responsibility to ensure all food safety risks are managed soundly:

- Public health: contaminated poultry products can lead to foodborne illnesses, such as salmonellosis and campylobacteriosis
- Effective salmonella prevention
- Helping our consumers minimise food waste through product preparation process and effective packaging
- Food safety in the poultry sector is crucial not only for the well-being of consumers, but also for the economic health and reputation of the poultry industry itself

Potential hazards in food:

- Biological hazards: this includes bacteria, like Salmonella, Campylobacter, and Listeria, as well as viruses and parasites
- Chemical hazards: residues from veterinary drugs, contaminants from feed, and environmental pollutants
- Physical hazards: foreign objects, like metal fragments or bone shards

Prevention and control measures:

- Biosecurity: implementing and maintaining strict biosecurity measures on farms to prevent the introduction and spread of pathogens
- Hygienic slaughter and processing: ensuring that slaughtering and processing operations meet hygienic standards to minimise contamination
- Proper storage: storing poultry products at recommended temperatures to inhibit bacterial growth
- Testing and monitoring: regular testing of poultry for the presence of pathogens and harmful residues
- Feed control: ensuring the feed given to poultry is of high quality and free from contaminants

TRACEABILITY

Keeping detailed records of each batch of poultry, including its origin, feed history, health records, processing details, and distribution chain, allows for quick responses if a food safety issue is detected.

PRODUCT RECALL

Over the reporting period, no food products were recalled from the market due to food safety breaches.

SAFE PRODUCT DESIGN

- Selling machinery designed with user safety in mind reduces the risk of accidents, promoting overall community well-being.

TRAINING AND EDUCATION

- We train our clients and staff on the safe and efficient use of machinery and fertilisers, which ensures that farmers can operate without health risks.
- Promoting the use of non-toxic, environmentally friendly fertilisers and strict compliance with existing regulations reduce the risk of water source contamination and related health issues.
- Informing consumers about the importance of cooking poultry to a safe temperature, avoiding cross-contamination, and proper storage.

ANTIBIOTIC STEWARDSHIP

AS Putnu Fabrika Kekava is among the leading poultry companies in Europe, which managed to reach 100% antibiotic-free meat production. The most important thing for us is to ensure very good conditions for the chickens to grow, so that they do not get sick and there is no need to treat them with antibiotics. As a result, all fresh chicken raised in Latvia and 75% of chicken meat in Lithuania is raised without antibiotics.

Social benefits of antibiotic-free chicken meat:

- Minimised risk of catching antibiotic-resistant bacteria
- Healthier diet without antibiotic exposure
- Growing demand for healthier food options encourages us to improve the quality of life for our animals

Environmental benefits of antibiotic-free birds and cattle:

- Preventing the spread of resistant bacteria via manure used as an organic fertiliser in local farms

Economic benefits of reduced use of antibiotics:

- In line with legal requirements, we cannot sell milk containing traces of antibiotic, all production must be utilized.

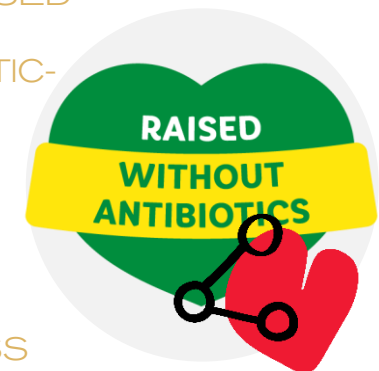
	2022/23	2021/22
Antibiotics	74,393,430	93,410,922

Use of antibiotics (active ingredient mg), cattle, AB Linas Agro Group

IT IS OUR STRATEGIC COMMITMENT TO OFFER HEALTHIER FOOD



100% OF OUR BIRDS IN LATVIA AND 75% RAISED IN LITHUANIA ARE ANTIBIOTIC-FREE



WE SELL WORLD-CLASS MACHINERY AND EQUIPMENT. OUR SERVICES OFFER 24/7 SUPPORT TO THE FARMERS



GOOD HEALTH AND WELL-BEING

HEALTH AND SAFETY POLICY

Occupational Health and Safety (OHS) policies in our subsidiaries are in line with relevant regulations and is applicable to all employees and contractors within our organisation. This policy is an essential component of our daily operations.

It is our best interest to establish a culture where each individual recognises the importance of adhering to OHS requirements in their daily tasks. Additionally, we prioritise providing a safe and continuously improving work environment.

Our strategy emphasises prevention and open dialogue. Prevention is primarily about effective risk management. The culture of dialogue encourages active participation from employees, fostering a collaborative approach to safety and health.

To ensure the thorough implementation of our Health and Safety policy, we emphasise the following measures:

- Regular safety training sessions
- Provision of personal protective equipment
- Maintenance of walking and working surfaces to prevent slips, trips, and falls
- Display of safety information boards in manufacturing and service facilities
- Ensuring proper ventilation in work areas
- Frequent inspections and improvements of potentially hazardous equipment
- Keeping emergency exits unblocked and easily accessible without tools
- Proper storage and handling of chemicals
- Clear training directives for the whole staff
- Allocating required resources to uphold safe operational conditions
- Ensuring staff possesses the necessary skills for safe task execution
- Mandatory reporting of potential health risks or hazardous situations
- Policies in place to protect employees who report potential dangers from punitive actions
- Allowing employees the discretion to decline perceived risky tasks
- Managers' responsibility to recognise and prepare for potential risks and emergencies
- Expectation for managers to consistently follow and enforce safety protocols
- Regular health assessments for employees
- Emphasis on preventive measures for all operations

HEALTH HAZARDS

Agriculture ranks among the sectors with significant hazards, primarily due to the risks associated with vehicles, machinery, and livestock management. Additional health and safety concerns arise from the use of chemical pesticides, exposure to vibrations, noise, and stress.

In the grain handling and processing industry, prominent risks include fires, suffocation, high noise exposure, engulfment, entrapment, falls, and amputation.

For those in poultry handling and processing, potential hazards encompass high noise levels, hot surfaces, cutting tools, slippery conditions, and chemicals. There is also the potential risk of zoonotic infections.

A prevalent concern for a majority of our workforce is musculoskeletal issues, such as back pain and limb injuries, which often stem from excessive strain and incorrect lifting or movement techniques.

FATAL ACCIDENT AND MEASURES TAKEN

On 11 April, at approximately 10:25 PM, an accident occurred at AB Vilniaus Paukštynas located in Rudamina. A 60-year-old male employee fell from the stairs. The individual suffered fatal injuries as a result of the fall. Forensic results revealed blood alcohol level of 2.22‰. The State Labour Inspectorate conducted the investigation in accordance to local legislation.

Following the accident, these preventive actions were taken:

- Employees were educated on safety measures for work at heights.
- Protective helmets were issued to waste processing staff with proper usage training.
- Equipment adjusters' roles were revised for better supervision, especially during off-peak hours.
- A stationary breathalyser was installed at the security post. Protocols for alcohol checks were updated, and portable breathalysers were distributed to departments.
- Additional training sessions focusing on work at heights were conducted across departments.

Currently, no administrative fines have been levied, and the criminal case remains open. The State Labour Inspectorate shared their findings on 14 July. The insurance company decided against a payout due to the employee's intoxication. Besides covering funeral expenses, no additional compensation was provided by the company.

WE AIM TO DECREASE TRIR TO 0.62 OR LESS



ONE FATAL ACCIDENT IN VILNIAUS PAUKŠTYNAS



RATE OF INJURIES

Unfortunately, injury rate rose by 7 counts per year, we registered 39 work-related incidents over the reporting period. Bruises, slips, and lifting injuries account for majority of the incidents. One fatal injury was recorded within the Group. We are committed to invest in order to ensure fatality-free workspace and we aim to reduce total recordable injury rate to 0.62.

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

Total hours worked and rate of injuries, Linas Agro Group, AB, 2021/22-2022/23

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

EQUALITY

In the context of the Group with 5,000 employees, a diverse educational background means a vast array of skills, experiences, and perspectives. Inclusive development can be harnessed to drive growth, innovation, and sustainable success. However, it is essential to create an environment where every employee feels valued, irrespective of their educational attainment.

RECOGNISE AND RESPECT DIVERSITY

Across the Group companies, we have various training programmes that emphasise the importance of diversity and the value that each educational level brings to the table.



The essence of our sustainability programme is rooted in the belief that every team member, irrespective of their background, plays a vital role in shaping the future of our organisation. Through this initiative, we are reaching out to each member of our vibrant team, ensuring that they are seen, heard, and valued.

At the heart of FOUR HEARTS is the commitment to uplift and celebrate team diversity. We firmly believe that different educational experiences enrich our collective intelligence, spark innovative solutions, and foster a vibrant organisational culture.

Rather than viewing educational qualifications as a ladder, we envision them as a mosaic, where each piece, whether graduate education, higher education, or secondary education, adds to the bigger picture. This inclusive mindset ensures a collaborative environment where every voice matters and every perspective is recognised.

With FOUR HEARTS, we are not just promoting sustainability in an environmental sense, but are also ensuring that the very core of our organisational structure is sustainable, inclusive, and forward-thinking.

CONTINUOUS LEARNING AND DEVELOPMENT

At the core of our organisational strategy is the commitment to continuous growth and development of our team members. We offer training programmes to equip our team with necessary tools and knowledge.

We prioritise long-term partnerships and invest in the development of our employees. This approach strengthens our organisational capabilities and supports our industry leadership.

Total training budget amounted to EUR271k. Given the varied sizes, structures, and business lines of our companies, training intensity differs significantly.

AB Vilnius Paukštynas leads in training, with averaging total (including onboarding and security training) annual training hours for females at 87 and for males at 64. A distinct emphasis was given to line workers, averaging at 132 hours per employee.

EMPLOYEE ENGAGEMENT

The regularity and way of getting feedback from our employees varies among the companies. We work on further integration of internal processes within the Group to achieve a unified way. Over the reporting period, 1,285 employees (26% of all people employed by the Group) received formal performance reviews. Among females, the percentage reached almost 28%, compared to 25% among male employees.

TOP MANAGEMENT	MANAGEMENT	SPECIALISTS	LINE WORKERS
31	212	877	165

Formal performance reviews by positions, 2022/23

INCLUSIVE DEVELOPMENT

Inclusive development refers to economic growth and development strategies which ensure that the benefits of increased prosperity are distributed broadly across all segments of society. The primary objective is to create opportunities for all and ensure that every individual has the means to realise their potential, irrespective of their background, gender, economic status, ethnicity, or other personal characteristics.

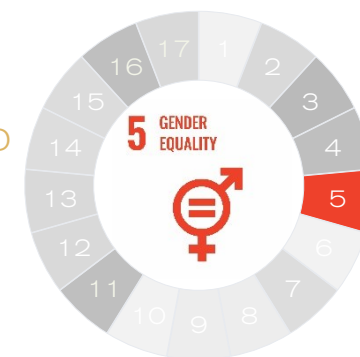
SUPPLY CHAIN

- Developing and maintaining supply chains that are inclusive, giving business opportunities to marginalised groups, and ensuring they receive fair compensation
- Ensuring farmers receive a fair price for their produce, especially small-scale and marginalised farmers

Challenges upstream supply chain:

We have numerous suppliers, and there is potential for risks related to the unfair treatment of vulnerable societal groups in some product supply chains.

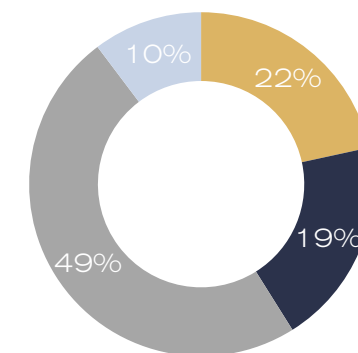
ALL EMPLOYEES ARE GRANTED SAME RIGHTS



FOCUS ON INCLUSIVE DEVELOPMENT



EMPLOYEES BY EDUCATION LEVEL



■ University graduates ■ College and Professional
■ Secondary ■ Primary education



SUSTAINABLE CITIES AND COMMUNITIES

A majority of our operations are based in economically stressed areas. Improved resilience and economic capacity of local communities is our strategic commitment. By taking into account urban-centric challenges and opportunities we can significantly impact the development of sustainable cities and communities, as well as life quality in general.

SANITARY ZONE DEBATE IN RUDAMINA

AB Kaišiadorių Paukštynas and AB Vilniaus Paukštynas have sanitary protection zones (SAZ) set at 1,000 meters, in line with local regulation. The SAZ for Kaišiadorių Paukštynas has been determined, approved, and registered after undergoing necessary assessments.

For AB Vilniaus Paukštynas, the boundary was set according to the general plan for a section of the Vilnius district municipality. However, there are legal challenges. Actual complaints and disputes have persisted since the onset of the SAZ approval process, with no definitive resolution at the time of the report's publication.

CLIMATE-POSITIVE INNOVATIONS

Promoting organic and eco-friendly fertilisers which can be used safely in urban gardens.

ODOUR MANAGEMENT

Advancing techniques that allow for sustainable poultry farming in urban or peri-urban areas with minimal odour.

POLLUTION

Integrated Pollution Prevention and Control (IPPC) is a regulatory system that employs an integrated approach to control the environmental impacts of certain industrial activities. It requires industrial and agricultural operations to employ the best available techniques (BAT) to minimise the emissions of pollutants.

SOURCE	TOTAL
CO	115.9
Particulate matter	334.3
NH3	676.7
Nox	106.28
Volatile organic compounds	202.8

Air pollution, tons, 2022/23

All our production sites operate under the Integrated Pollution Prevention and Control (IPPC) permit, ensuring that the operations adhere to environmental standards and regulations to minimise their impact on the environment and human health. This framework mandates regular monitoring and evaluations to ensure compliance:

1. Emissions to air: This includes minimising the release of ammonia, dust, odours, and other pollutants.
2. Waste management: The IPPC principles emphasise proper collection, storage, treatment, and utilisation of manure to prevent the contamination of surface and groundwater.
3. Water consumption and pollution: The principles stress efficient water use, treatment of wastewater, and prevention of runoff that could carry pollutants into water bodies.
4. Noise and energy: While not unique to poultry operations, the IPPC also covers noise and energy efficiency considerations.
5. Chemicals: Use of chemicals, such as disinfectants and veterinary medicine, should be managed properly to prevent environmental contamination.
6. Use of Best Available Techniques (BAT): The idea behind BAT is to promote technologies and practices that are both economically and technically viable and that cause the least pollution.
7. Monitoring and reporting: Businesses operating under IPPC regulations are required to monitor certain emissions, track their waste and resource use, and report these figures to the regulatory authorities. These reports are public and readily available on the websites of our companies.
8. Accident management: Businesses must have plans in place to deal with unexpected events.

ALL OUR PRODUCTION SITES ARE LOCATED IN URBAN OR PRE-URBAN AREAS



PARTNERS OF BC ŽALGIRIS SINCE 2021



SUPPORTERS OF LATVIAN NATIONAL BASKETBALL TEAM SINCE 2018



TRANSPARENCY FOR STRONGER WORLD

TRANSPARENCY IN FOOD INDUSTRY

When we discuss transparency in this context, we refer to an in-depth understanding and disclosure of each step involved in the food production and distribution process – from farm to fork. This transparency ensures that consumers are well-informed about the products they purchase and consume, and it provides businesses with a mechanism to ensure ethical and sustainable practices.

Here are some key requirements for supply chain transparency in the food industry:

- **Traceability:** This involves tracking food products and their ingredients at every stage of the supply chain. It is the ability to identify the origin of a food product and trace its journey through the various stages of production, processing, and distribution.
- **Full disclosure:** We provide complete information about ingredients, their sources, and any processing they have undergone. This disclosure is often mandated by regulatory bodies and is essential for managing food allergies, religious dietary restrictions, and specific dietary choices (like veganism).
- **Auditing and verification:** Regular third-party audits and verifications can provide an objective assessment of a company's claims regarding its supply chain. This could involve ensuring ethical practices, verifying organic claims, or checking adherence to other standards.
- **Sustainability information:** Consumers are increasingly concerned about the environmental footprint of their food. This includes details about water usage, carbon footprint, packaging, and waste management.
- **Ethical practices:** This entails information about labour practices, fair wages, working conditions, and any other human rights-related aspects of the supply chain. Ensuring that there is no child labour or forced labour at any stage is a critical aspect of this.
- **Regulatory compliance:** Different countries and regions have various regulations in place to ensure food safety and quality. Companies must adhere to these regulations and, in many cases, demonstrate their compliance through documentation and certifications.
- **Collaboration with stakeholders:** Engaging with farmers, suppliers, distributors, and other stakeholders ensures that all parties are aligned in their commitment to transparency and best practices.

- **Consumer engagement:** Keeping consumers informed and providing them with easy access to information about products, such as websites, or packaging details, is key.
- **Continuous improvement:** Transparency is not a one-time achievement but an ongoing process. The food industry should be committed to continuous improvement, regular reviews, and adapting to new information or technologies.

SOYBEAN PROCUREMENT CHALLENGES

Supply chain transparency:

- **Tracing the origin:** Determining the exact origin of soybeans can be challenging due to the complex supply chains.
- **Deforestation risk:** Soy production is a major driver of deforestation, especially in areas like the Amazon. Ensuring the procurement of deforestation-free soy requires in-depth supply chain verification.
- **Multiple intermediaries:** Numerous middlemen can make transparency harder to achieve and maintain.
- **Labour rights:** The soy production sector, particularly in certain regions, can be prone to labour rights violations.

Responsible production:

- **Environmental concerns:** Soy production can lead to extensive pesticide and herbicide use, soil degradation, and loss of natural habitats.
- **GMO debate:** The use of genetically modified organisms (GMO) in soy production can lead to public concerns and require clear labelling and communication strategies.

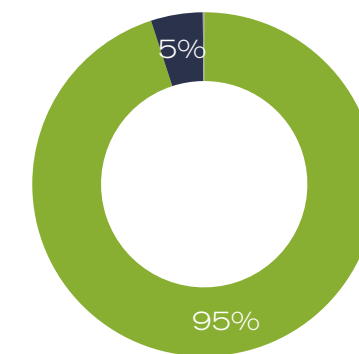
Local community support:

- **Land disputes:** Large-scale soy cultivation can lead to land disputes with local communities or indigenous populations.
- **Economic reliance:** Areas heavily reliant on soy production can face economic challenges in the event of market fluctuations.

WE COMMIT TO THE HIGHEST LEVEL OF COMPLIANCE

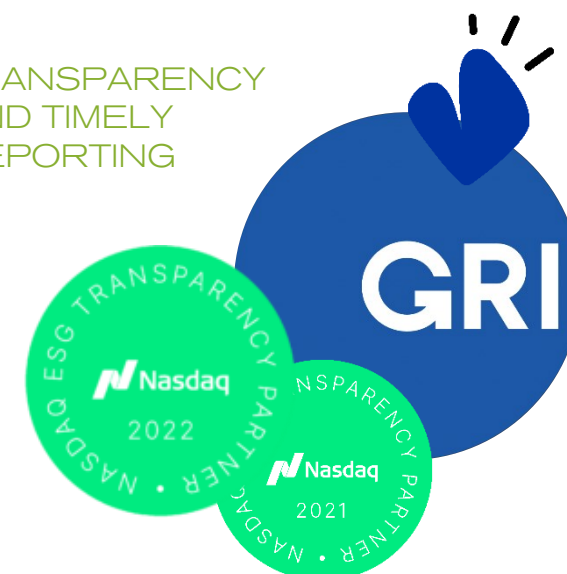


TAXES PAID IN PROFIT-GENERATING COUNTRIES



■ Lithuania ■ Latvia ■ Estonia

TRANSPARENCY AND TIMELY REPORTING



PARTNERSHIPS

Our commitment extends beyond mere participation. We actively drive global partnerships, disseminate knowledge, and pursue collaborative ventures, thus significantly contributing to the broader sustainable development objectives and SDG 17.

KNOWLEDGE SHARING

We engage with international agricultural institutions, seeking to introduce best practices, innovative technologies, and sustainable agricultural methods.

Our strategic alliances with academic institutions and research entities emphasise the enhancement of agricultural research, aiming for sustainable elevation in crop yields.

UAB Dotnuva Baltic's cooperation with the Academy of Agriculture of VDU spans over two decades. Such a robust alliance underscores the essence of training top-tier professionals in the agricultural sector to harness emerging technologies. This not only augments labour efficiency, but also amplifies the national economic value.

AB Linas Agro, UAB Dotnuva Baltic, and AB Kauno grūdai are esteemed collaborators with VMU Agriculture Academy. Our synergy with the Science and Innovation Development Fund, in tandem with the VMU Agriculture Academy and other industry stalwarts, stands testament to our commitment.

SUPPLY CHAIN COLLABORATIONS

Our vast network spans over international stakeholders across different sectors. Such global partnerships amplify our capacity to uphold sustainability and adhere to ethical tenets throughout the supply chain, from feed generation to poultry operations.

Working with prominent plant protection product makers, machinery stakeholders, and agrarian solution partners necessitates our adherence to both global and sector-specific norms.



TRANSPARENT ENGAGEMENTS

Open conversations with varied stakeholders – from government bodies and civil society to the private sector – are pivotal. Such interactions cultivate mutual comprehension and foster a spirit of collaboration.

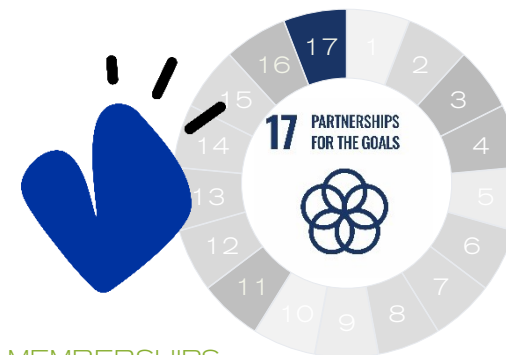
FOR LOCAL PARTNERS

More than a thousand farmers gathered in Kėdainiai district for the “Grain Path 2023: Innovations in Practice” event. Organised by Linas Agro and Dotnuva Baltic Lithuania, the event showcased the latest in agricultural technology, ranging from new grain varieties to innovative equipment. Emphasis was placed on the increasing use of smart technologies in farming, with nearly 70% of farmers now using tractors with automatic steering. Linas Agro highlighted the effectiveness of their plant protection products in unpredictable weather conditions. The Labūnava Agricultural Company emphasised their shift towards increased robotisation and modernisation. Additionally, the event raised EUR4.5 thousand for charity on its first day.



COOPERATION WITH PROFESSIONAL TRAINING CENTRES

Our Group companies develop social partnerships with professional training centres in Lithuania and Latvia. For instance, on 20 October 2022, third-year students of the Engineering, Mechanics, and Machine Building study programme went on a field trip to the company Putnu fabrika Kėkava. Company representatives introduced the visitors to the production processes, safety requirements, and mechanical equipment (both new, modern equipment, as well as time-tested equipment, even that designed by the company's own engineers) used in meat processing.



ACTIVE MEMBERSHIPS

- Association of Business Effectivity (Latvia)
- Estonian Seed Association
- Grain and Feed Trade Association (GAFTA)
- Klaipėda Chamber of Commerce, Industry and Crafts
- Latvian Association for Personnel Management
- Latvian Chamber of Commerce and Industry
- Latvian Egg and Poultry Producers Association
- Latvian Federation of Food Companies
- Latvian Seed Producers Association
- Lithuanian Agrochemical Products and Fertilisers' Industry and Trade Association
- Lithuanian Association of Agricultural Companies
- Lithuanian Association of Planters and Ornamental Plant Growers
- Lithuanian Poultry Breeders Association
- Lithuanian Association of Shipping Agents and Forwarders
- Lithuanian Cattle Breeders Association
- Lithuanian Association of Grain Processors
- Lithuanian Plant Protection Association
- Lithuanian Seed Producers Association
- Panevėžys Chamber of Commerce, Industry and Crafts
- Several associations for users of drainage systems
- Estonian Chamber of Agriculture and Commerce
- Lithuanian Marketing Association
- Lithuanian Agricultural Machinery Association
- Latvian Association of Agricultural Machinery Manufacturers and Dealers

POLICIES ON GROUP LEVEL

70+ UNIQUE POLICIES AND FORMALISED PROCEDURES

- Occupational Safety and Health Policy
- Remuneration Policy
- Non-Discrimination Policy
- Human Rights, Child and Forced Labour Policy
- Anti-Bribery and Anti-Corruption Policy
- Animal Welfare Policy
- Environmental Protection Policy
- Personal Data Protection Policy
- Code of Business Ethics
- Partner Code of Ethics
- Privacy Policy
- Procurement Policy
- Dividend Policy

Across the Group, there are more than 70 policies and formalised procedures. As we continually integrate various business segments and expand our operations, there is an increasing imperative for us to refine and streamline these processes.

The Group's approach to responsible business conduct references international frameworks, specifically the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

We conduct due diligence processes to identify, prevent, and mitigate adverse impacts related to its operations, products, or services.

The Group applies the precautionary principle, especially when addressing potential environmental and human health risks.

The Group is committed to respecting the rights listed in the International Bill of Human Rights. Additionally, policies are in place to protect specific stakeholder categories, including indigenous peoples, children, migrant workers, and local communities.

Policies are available on the official website. Any unavailable policy indicates an ongoing review to ensure its alignment with modern governance standards.

All policy commitments are approved by the highest decision-making level within The Group.



PRINCIPLES OF OUR SUPPLIER CODE OF CONDUCT (might vary in different companies of the Group)

1. LAW REGULATION

We operate globally with honesty and integrity, and do not tolerate corrupt suppliers.

2. CONFLICT OF INTEREST

All our dealings prioritise the company's best interests without conflicting personal gain.

3. FIGHT AGAINST CORRUPTION

We have a zero-tolerance policy for any form of corruption and expect the same from suppliers.

4. FAIR COMPETITION

We never breach competition rules and promote open competition.

5. FINANCIAL RECORDS, MONEY LAUNDERING, INSIDER TRADING, AND BRIBERY

We prohibit bribery, avoid politics, and expect suppliers to mitigate fraud risks.

6. GIFTS AND DONATIONS

Gifts should be reasonable and never used to unduly influence decisions.

7. CONFIDENTIAL AND EXCLUSIVE INFORMATION

Suppliers must keep trade secrets and confidential information undisclosed.

8. HUMAN RIGHTS

We stand by human rights and expect suppliers to do the same.

9. LABOUR STANDARDS

We demand ethical hiring and employment practices from our suppliers.

10. SAFETY AND HEALTH

Suppliers should prioritise their employees' safety and health.

11. QUALITY REQUIREMENTS

We expect consistent high-quality products and services from suppliers.

12. ANIMAL WELFARE

We advocate for ethical animal treatment in related products.

13. ENVIRONMENTAL RESPONSIBILITY

Our suppliers should adhere to environmental laws and promote eco-friendly practices.

14. SUSTAINABILITY

We value sustainability and expect our suppliers to adopt sustainable practices.

15. SUPPLIER MANAGEMENT SYSTEMS

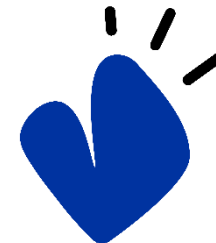
Suppliers should incorporate the principles of this Code into their operations and extend it to their own suppliers.

16. VERIFICATION

We can verify supplier compliance, and non-compliance may lead to contract termination.

17. AUDIT

We may audit suppliers and expect prompt resolutions to any raised concerns.



FOOD LABELLING

300+ UNIQUE POULTRY PRODUCTS



Proper labelling of food is our major responsibility. The requirements for information vary across different markets and different requirements might apply for private label products. Food labelling rules established by the European Union are a good indicator of minimal requirements we must adhere to before our products reach the shelves.

GENERAL LABELLING REQUIREMENTS

- The information must be easily visible, clearly legible, and indelible.
- It must not be hidden, obscured, detracted from, or interrupted by any other written or pictorial matter.

MANDATORY PARTICULARS

- Name of the food
- List of ingredients
- Any ingredient causing allergies or intolerances must be emphasised
- Quantity of certain ingredients or categories of ingredients (QUID)
- Net quantity of the food
- Date of minimum durability or 'best before' date
- Special storage and/or usage conditions
- Name or business name and address of the food business operator
- Country of origin or place of provenance, if applicable
- Instructions for use if it would be difficult to use the food appropriately without them
- Actual alcoholic strength by volume for beverages containing more than 1.2% by volume of alcohol

NUTRITION DECLARATION

- Energy value and the amounts of fat, saturates, carbohydrates, sugars, protein, and salt must be presented together in that order, with the possibility of further elements.
- Information must be expressed per 100 g/ml, but can additionally be expressed per portion or as a percentage of the Reference Intakes.

ADDITIONAL MANDATORY PARTICULARS FOR SPECIFIC TYPES OR CATEGORIES OF FOODS

- For instance, the presence of sweeteners in drinks or the caffeine content in high-caffeine beverages.

VOLUNTARY FOOD INFORMATION

- The FIC Regulation also allows for some voluntary food information to be provided if it meets certain criteria, e.g., it should not mislead consumers.

DISTANCE SELLING

- If foods are offered for sale by means of distance communication (e.g., online), mandatory food information should be available before the purchase is completed.

RESPONSIBILITY

- The food business operator, under whose name or business name the food is marketed, is responsible for food information.

LANGUAGE

- Information must be provided in a language easily understood by the consumers of the member states where the product is marketed.

EXEMPTIONS

- There are some exemptions in place, particularly for small and local businesses, and specific products, like coffee and fermented vinegars.

COUNTRY OF ORIGIN LABELING

- Required for certain types of meat (e.g., pork, poultry, lamb, and goat). It may also be required if the absence of this information might mislead the consumer about the food's true origin.

HEALTH AND NUTRITION CLAIMS

- Any claim made on food labels about health benefits or nutritional content must be clear, accurate, and based on scientific evidence. This is covered under Regulation (EC) No. 1924/2006.

It's crucial for us to be aware of these requirements and ensure compliance therewith. Non-compliance can result in penalties, product recalls, or reputational damage. This overview provides a general understanding, but specific requirements can be complex. Our team monitors regulations and/or seeks expert advice for detailed understanding and implementation.

RECALLS

In 2022/23 food recalls from the market included 1.86 t of instant noodles because celery (allergen). was not highlighted on the Danish sticker.



300+ UNIQUE GRAIN-BASED PRODUCTS

RISK MANAGEMENT



In agriculture and poultry business, risk management is not just a consideration; it's an integral component. The changing nature of these industries, with their inherent complexities, necessitates a proactive approach to identify and mitigate risks. The Group, acknowledging this, has systematically embedded risk management practices at its core. Both on the Group level and within individual sectors, risk management is regarded as a material topic.

The Group has adopted a structured approach to risk management, cognizant of the evolving landscape of its operations. Key risks are not only identified but are also disclosed publicly, underscoring our commitment to transparency and proactive communication. Across our diverse business units, detailed risk management policies have been established. These policies, outlining the necessary precautionary measures, serve as pivotal operational guides designed to ensure the longevity and sustainability of our ventures.

MARKET RISKS

A market risk is understood as the risk of receiving a lower return than planned in the event of unfavourable market conditions. A market risk in the activities of the companies of the Group could occur through fluctuations in market prices of certain goods, emergence of new competitors in the market or a merger/formation of a group by competitors, relevant crop harvest quality/quantity in a given period, emergence of new goods and production technologies that lead to a fall in the market prices of specific goods, etc.

In order to manage the potential impact of a market risk, the employees of the companies of the Group:

- Constantly monitor the market of specialised products;

- Manage trading positions on the basis of permissible limits of open trading positions and criteria for their liquidation;
- Use derivatives;
- Etc.

In the financial year 2022/2023, due to high volatility of commodity prices and disruptions in the supply chain, the companies of the Group were exposed to market risk. Market price risk was evident in fertilizer trade due to limited possibility to hedge the exposure. However, diversification of Group's activities helped to balance the overall result.

The probability of the occurrence of market risk in future periods remains high due to the specifics of the Group's normal business operations. Also, inflationary pressures are expected to have a negative impact on consumer purchasing power in the short term. However, due to complex forecasting of market movement trends, it is not possible to anticipate the consequences of encountering this risk.

TRADE AND CREDIT RISKS

A trade and credit risk is understood as the risk of a lower-than-expected profit if, due to reasons that are dependent or not dependent on the employees of the companies of the Group, improper performance of the terms and conditions of contracts is encountered.

A trade risk in the activities of the companies of the Group could occur through non-delivery of purchased goods, refusal of the buyer to accept the sold goods, non-compliance with contractual terms and conditions concerning the quantity, range, completeness, quality or other characteristics of the goods, inaccuracies in the procedures of the companies of the Group or of outsourced service providers, failure to ensure a due process, and criminal operation of parties to a transaction.

A credit risk in the activities of the companies of the Group could occur through the sale of goods with deferred payment, lending money, payment of an advance for the future delivery of goods or services, extension of an overdue payment term, etc.

To manage the potential impact of a trade and credit risk, the employees of the companies of the Group:

- Conduct a thorough screening of customers prior to starting trade operations and assesses the availability of additional security at the start of the cooperation;
- Observe the credit limit values set for the trade operations of the companies of the Group, perform continuous customer monitoring, and make use of insurance options;

- Ensure control over activities of outsourced service providers;
- Properly document the execution of trade operations and other procedures;
- Etc.

In the financial year 2022/2023, the Company and the Group managed the risk in an orderly manner, significant financial impact or above regular default rates were not observed.

The manifestation of this risk is closely related to the market risk aspects and in some cases can be provoked by them. However, the Group estimates the probability of occurrence of trade and credit risk in future periods as moderate, due to the long-term experience of the staff of the companies of the Group and the thorough screening and control activities carried out.



POLITICAL RISKS

In the European Union, agriculture is a highly regulated and supervised industry. Although this regulation and supervision is aimed at ensuring a sufficient income for those engaged in agricultural activities, political changes may affect the situation in the market in which the Group operates. Political risks could arise from the reduction of agricultural subsidies, the tightening of financial assistance-related requirements (which would have a negative impact not only on the activities of agricultural companies managed by the Group, but also on the enterprises supplying those companies), as well as the adoption political decisions such as embargoes, quotas, import or export bans.

To minimize the consequences of such risks, the employees of the companies of the Group monitor the economic situation in Lithuania and all other countries with which they trade and assess possible changes that would result from certain political decisions.

RISK MANAGEMENT

In the financial year 2022/2023, the Company and the Group encountered political risk. Following Russia's invasion of Ukraine, sanctions imposed on Russia by countries 'unfriendly' to the regime have led to further disruptions in supply chains worldwide (already seen in the COVID-19 pandemic). Supply restrictions imposed by the aggressor prior to the outbreak of hostilities also had a primary impact on changes in supply and prices.

Having in mind high geopolitical uncertainty, the probability of the occurrence of political risks to the Group in future periods is assessed as moderate.

HR RISKS

The ability of the Group to maintain a competitive position and implement its growth strategy is determined by the experience and knowledge of the management. Loss of employees and/or inability to hire new employees with relevant knowledge may adversely affect the business prospects and financial position of the Group. HR-related risks in the activities of the companies of the Group could also be encountered in connection with the confidential information available to the staff members, the decisions made by the staff, the responsibility granted to the staff members based on their rights and duties, improperly designed employee motivation systems, etc.

To manage HR Risks:

- Non-compete agreements have been concluded with certain executives of the Group;
- Requirements and responsibility concerning the storage of confidential information are set for employees;
- The motivational system is developed, etc.

In the financial year 2022/2023, the Company and the Group did not encounter these risks.

The probability of the occurrence of the HR risks in future periods is assessed as low.

FUNDING AND LIQUIDITY RISKS

Examples of funding and liquidity risks include funding supply risk, lack of liquidity, short-term investment risk, foreign exchange risk, interest rate risk, etc.

Information on the financial risk management objectives and used hedging instruments that are subject to hedge accounting, as well as the information on the extent of the price risk, credit risk, liquidity risk and cash flow risk arising for the Group when the Group makes use of financial instruments, all of which is

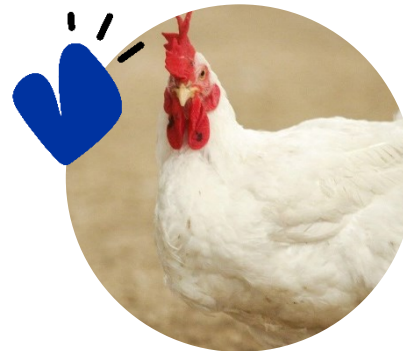
important in assessing the assets, equity, liabilities, income and expenses of the Group, are disclosed in Note 31 to the Financial Statements of the Group for the FY 2022/2023.

In the financial year 2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of funding and liquidity risks in future periods is low/moderate due to the annual credit limits set by the Group, significant diversification of bank financing sources, and hedging instruments used. The most significant impact in the coming financial year is expected to be due to the active monetary policy of the central banks and the increase in the interbank interest rate, however, it should be noted that the Group's management has considered the impact of this factor in advance in the formulation of the budget for the coming year and does not anticipate a material negative impact.

RISKS OF CHANGE IN BIOLOGICAL ASSETS, CLIMATE RISKS

The risk of change in biological assets used in the operations of the Group (cattle, birds and crops) is related to improper maintenance of biological assets, possible out-breaks of diseases, and other factors that may cause the loss of such assets.



To minimize potential losses relating to the risk of change in biological assets, the employees of the companies of the Group monitor the condition of the soil, use plant protection products and fertilizers, carefully control the quality of cattle and poultry feed, continuously improve animal housing conditions, apply infection prevention measures and make use of insurance options.

In the financial year 2022/2023, the Company and the Group did not encounter these risks. However, severe dry weather conditions in 4th quarter have indicated increasing risk related to climate change.

In the opinion of the Group, although the probability of occurrence of the risk of change in biological assets in future periods is low due to the systems implemented in the companies of the Group and a strict control, it is still possible to encounter such risk in case of extremely unfavorable weather conditions independently of the Group's actions.

CONSUMPTION PATTERNS AND TECHNOLOGICAL CHANGE RISKS



The risks posed by changes in consumption patterns and technology are related both to temporary trends and to consistent changes caused by increased education and better living conditions or scientific progress.

To manage these risks, the companies of the Group that produce, prepare and sell agricultural and food products, and supply goods and provide services to farmers perform ongoing monitoring of market trends, sustainability, consumer value and functionality perspectives, assess changes in supply and demand, analyze new products and market penetration of such products.

In the financial year 2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of these risks in future periods is low due to the continuous promotion of innovation and the first necessity and high-energy value product.

RISK MANAGEMENT

REPUTATION RISKS

Reputation risks are related to the image of the Group and the companies managed by the Group in the course of building and maintaining relationships with employees, suppliers, customers and the public.

To prevent the occurrence of these risks, the actions of the companies of the Group must comply with the values represented, the mission and vision set, as well as correlate with the provisions of the Code of Business Ethics and social responsibility objectives of the Group. Any deviations from the above could lead to a diminished trust in the Group by its partners, more complicated supply or lower demand for products, as well as reduced attractiveness of the Group's companies as employers.

In the financial year 2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of these risks in future periods is low due to the standards set by the Group and the responsibility in applying the provisions of the Code of Business Ethics and performing its content revisions and compliance checks.

RISKS RELATED WITH INVESTMENT PROJECT MANAGEMENT

While expanding existing or introducing new business lines, Group companies and management initiate investment projects, which in most cases require specific knowledge, involves third parties, bringing significant technological, time management, cost overrun or similar risks. To manage these risks Group uses extensive planning and forecasting procedures, where available using external consultancy.

In the financial year 2022/2023, the Company and the Group managed the risk without any major impact on activities.

NON-COMPLIANCE RISKS

Existing product and service portfolio of Group companies require certain licensing, certifications, technical assurances, etc. Non-compliance with the aforementioned requirements, can translate into significant financial losses due to both – material fines (regulatory perspective), as well as loss of markets, trust in the provider of the product/service (behavioral perspective).

To manage these risks Group establishes policies, internal procedures and control mechanism, which are updated regularly to be of highest quality as well as compliant to latest regulation and laws.

In the financial year 2022/2023, the Company and the Group managed the risk without any major impact on the activities.

SUPPLIER, SOURCING RISK, LOSS OF PARTNERSHIPS

Delivering the results in all the business lines, Group companies are highly dependent on its suppliers and partners in various sectors and geographies. Discontinued cooperation in some cases might translate into lost time, differences in final product outcome or overall spectrum of the offering.



To manage these risks Group establishes strategies to manage supplier concentration, diversifies customer base. Extensive supply chain planning is performed with alternative suppliers, routes or substitutes.

In the financial year 2022/2023, the Company and the Group managed the risk without any major impact on the activities.

OCCUPATIONAL HEALTH AND SAFETY MISMANAGEMENT RISKS

Production activity in mills, elevators, factories, slaughterhouses, baking and other units includes various risk factors for Group employees. Mismanagement of occupational health and safety risks can cause various incidents, physical trauma, long-term disability, or even death.

To manage these risks, Group establishes the highest standard health and safety rules and procedures, provides employees with quality and necessary means for work, and prepares the safe workplace.

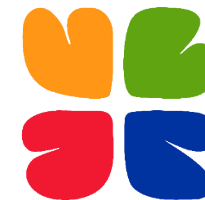
In the financial year 2022/2023, the Group unfortunately failed

in managing the risk; please refer to the Group's Sustainability Report for further details.

RISK OF NOT REACHING ESG TARGETS

Group's sustainability report 2021/2022 establishes commitment to deliver progress in all the areas of the sustainability, stating economic, environmental, social and governance KPIs in 5-year horizon. Failure to reach the targets would mean failure to meet the expectations of our key stakeholders, which could to a higher or lower extent, limit future partnership with the Group.

To manage these risks, Group regularly revises the progress and targets, assesses the results and makes plans going forward. Part of achieving the goals is connected to technological advance and investment need, where both depend on the market or financial position of the Group.



**Four
Hearts**
it's time!

ANNEX I: DATA CENTRE



**Four
Hearts**
it's time!

KEY FINANCIAL DATA	Unit	2022/23	2021/22
Revenue	thous. EUR	1,999,617	1,895,667
Gross profit	thous. EUR	137,969	188,859
Gross profit margin	%	6.9%	9.96%
EBITDA	thous. EUR	67,318	132,173
EBITDA margin	%	3.37%	6.97%
Operating profit	thous. EUR	41,492	103,619
Operating profit margin	%	2.07	5.47%
Earnings before taxes EBT	thous. EUR	25,760	90,841
Earnings before taxes margin	thous. EUR	1.29%	4.79%
Net profit	thous. EUR	20,817	77,257
Net profit margin	thous. EUR	1.04	4.08
Grants received for agriculture activity	thous. EUR	5,115	3,930
Grants for poultry activity, related with COVID-19	thous. EUR	1,675	3,376
Other grants for poultry activity	thous. EUR	-	346

GROUP CAPACITY	Unit	2022/23	2021/22
Employees	persons	4,956	5,031
Total hours worked	thous. hours	9,178	8,379
Arable land (ha)	ha	19,229	18,258
Own land (ha)	ha	6,074	5,919
Total cattle	headcount	7,434	7,374
Dairy cattle	headcount	3,264	3,304
Broilers raised	headcount	49,813,205	50,854,264
Size of parental flock	headcount	479,443	512,318

INPUTS	Unit	2022/23	2021/22
Grain for production	tons	368,273	Data shall be recalculated
Feed for livestock (cattle and birds)	tons	81,872	
Semi-manufactured food and additives	tons	28,945	16,808
Plastic packaging	tons	7,165.8	2,337
Paper packaging	tons	6,317	2,424.5
Metal packaging	tons	167	113.2
Wood packaging	tons	1,055	549.6
Raw meat	tons	29,357	24,298
Food oil	tons	10,187	9,546
Fertilisers	tons	9,490	10,621.3
Plant protection	tons	167	98
Seeds	tons	2,145	2,637

ENERGY CONSUMED	Unit	2021/22	2021/22
Natural gas	1,000m ³	25,019.6	28,207
Diesel for transportation	thous. litres	3,726.3	2,527.9
Petrol for transportation	thous. litres	613.9	378
Diesel for agriculture	thous. litres	2,514	2,452.6
LPG	thous. kg	2,895	392
Diesel for heat production	thous. litres	156.0	251.6
Certified green electricity	Gwh	86.3	91.6
Not certified electricity	Gwh	1.3	0.47
Heating purchased	Mwh	0.46	0.8

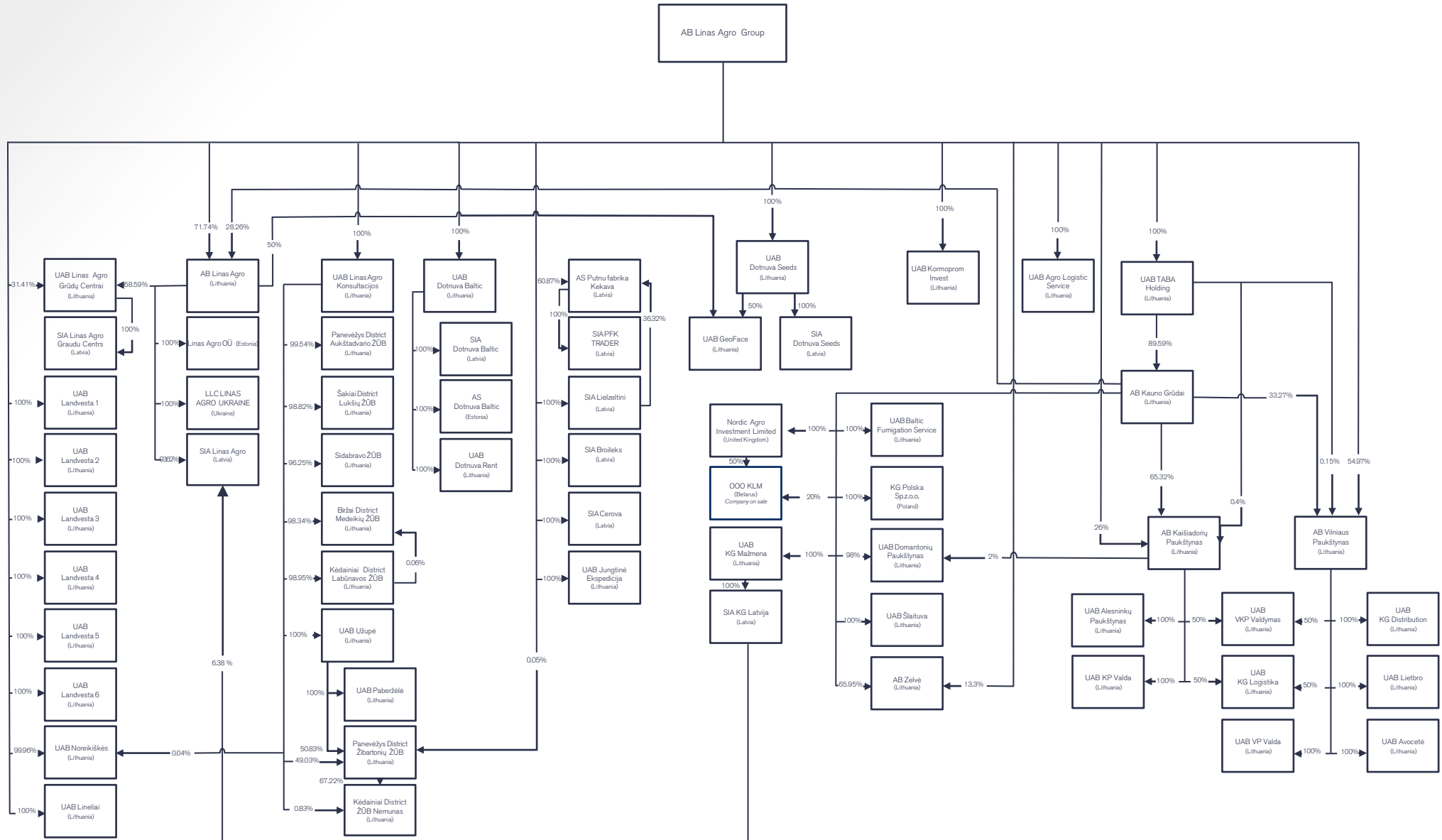
INTENSITY OF EMISSIONS	Unit	2023/23	2021/22
SCOPE 1 emission per employee	t CO ₂ eq	27.8	26.6
SCOPE 1 emission million EUR (revenue)	t CO ₂ eq	67.6	70.6
SCOPE 1 emission ton ECM	t CO ₂ eq	0.334	0.378
SCOPE 1 emission poultry meat (live weight)	t CO ₂ eq	0.555	0.600
SCOPE 1 emission ton wheat	t CO ₂ eq	0.252	0.251
SCOPE 1 emission ha arable soil	t CO ₂ eq	1.212	1.269

PRODUCTION OUTPUT	Unit	2022/23	2021/22
Compound feed	thous. tons	281.6	257.8
Flour and mixes	thous. tons	64.6	67.8
Raw milk	thous. kg	37,876	35,514
Harvest	thous. tons	133.4	127
Poultry meat live weight	thous. tons	118.1	116.1
Pet food	thous. tons	11.2	12
Instant food	thous. tons	21.5	13.1
Breadcrumbs	thous. tons	9.4	9.8
Seeds	thous. tons	27.2	25
Cattle meat	thous. tons	1.2	1.3

SOCIAL EFFECTS		2022/23	2021/22
Wages and salaries and social security	thous. EUR	138,246	132,515
Income tax (paid)	million EUR	9.5	7.1
TRIR		0.85	0.78

ENVIRONMENTAL EFFECTS		2022/23	2021/22
Scope 1 GHG emissions	tCO ₂ eq	135,153	133,821
Scope 2 GHG emissions (market-based)	tCO ₂ eq	365	358
Scope 3 GHG emissions	tCO ₂ eq	551,016	552,540
CO ₂ sequestration in soil	tCO ₂ eq	-21,584	-20,798
Waste directed to disposal	tons	3,914.9	3,913.2
Waste directed from disposal	tons	270,020	277,400.6

ANNEX II: GROUP STRUCTURE



ANNEX III: COMPANIES INCLUDED IN THIS REPORT

COMPANY NAME	SHARE OF STOCK HELD BY THE GROUP	PRINCIPAL ACTIVITIES	REGISTRATION DATE, CODE OF LEGAL ENTITY, LEGAL FORM, COMPANY REGISTER	CONTACT DATA
AB Linas Agro	97.06%	Wholesale trade of grains, oilseeds, feedstuff, and agricultural inputs supply	8/7/1991, code of legal entity 1473 28026, public limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C-3, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 333 Fax +370 45 507 444 E-mail info@linasagro.lt www.linasagro.lt
UAB Dotnuva Baltic	100%	Sale of agricultural machinery, equipment for grain elevators and farms, seed production	5/3/1996, code of legal entity 261415970, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Parko St. 6, Akademija, 58351 Kėdainiai district, Lithuania Ph. +370 347 370 30 Fax +370 347 370 40 E-mail info@dotnuvabaltic.lt www.dotnuvabaltic.lt
UAB Dotnuva Rent	100%	Rent of agricultural machinery	25/6/1998, code of legal entity 161452398, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Parko St. 6, Akademija, 58351 Kėdainiai district, Lithuania Ph. +370 347 37030 E-mail info@dotnuvarent.lt
UAB Dotnuva Seeds	100%	Seed production	8/5/2023, code of legal entity 306313873, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Tilto St. 2C, Dotnuva, 58373 Kėdainiai district, Lithuania Ph. +370 612 20179 E-mail info@dotnuvaseeds.lt
UAB Linas Agro Grūdų Centrai	97.98%	Grain processing and storage	10/7/2002, code of legal entity 148451131, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 343 Fax +370 45 507 344 E-mail grudu.centras@linasagro.lt
UAB Jungtinė Ekspedicija	100%	Logistics and forwarding services	17/2/1998, code of legal entity 141642963, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Nemuno St. 2A, LT-91199 Klaipėda, Lithuania Ph. +370 46 310 163 Fax +370 46 312 529 E-mail info@je.lt www.je.lt
UAB Linas Agro Konsultacijos	100%	Management of subsidiary farming companies	23/6/2003, code of legal entity 248520920, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibuoklių St. 20, LT-57128 Kėdainiai, Lithuania Ph. +370 686 53 692 E-mail konsultavimas@linasagro.lt
Biržai District Medeikių ŽŪB	98.39%	Growing and sales of crop	5/10/1992, code of legal entity 154771488, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Biržų St.32, Medeikiai vill., LT-41462 Biržai district, Lithuania Ph. +370 450 584 22 E-mail medeikiai@linasagro.lt
Panevėžys District Aukštadvario ŽŪB	99.54%	Mixed agricultural activities	9/3/1993, code of legal entity 168573274, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Pirties St, 3, Aukštadvaris vill., LT-38255 Panevėžys district, Lithuania Ph. +370 45 592 651 E-mail aukstadvaris@linasagro.lt
Sidabravo ŽŪB	96.25%	Mixed agricultural activities	20/4/1993, code of legal entity 171331516, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Pergalės St. 1A, Sidabras, LT-82251 Radviliškis district, Lithuania Ph. +370 422 477 27 E-mail sidabras@linasagro.lt
Panevėžys District Žibartonių ŽŪB	99.90%	Mixed agricultural activities	22/5/1992, code of legal entity 168521815, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 74, Žibartoniai vill., LT-78323 Panevėžys district, Lithuania Ph. +370 45 557 444 E-mail zibartoniai@linasagro.lt
Šakiai District Lukšių ŽŪB	98.82%	Mixed agricultural activities	30/10/1992, code of legal entity 174317183, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Lukšiai vill. 2, LT-71176 Šakiai district, Lithuania Ph. +370 345 442 88 E-mail lukšiai@linasagro.lt

ANNEX III: COMPANIES INCLUDED IN THIS REPORT

COMPANY NAME	SHARE OF STOCK HELD BY THE GROUP	PRINCIPAL ACTIVITIES	REGISTRATION DATE, CODE OF LEGAL ENTITY, LEGAL FORM, COMPANY REGISTER	CONTACT DATA
Kėdainiai District Labūnavos ŽŪB	98.95%	Mixed agricultural activities	25/2/1992, code of legal entity 161228959, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Serbinų St. 19, Labūnava vill., LT-58173 Kėdainiai district, Lithuania Ph. + 370 347 34 180 E-mail labunava@linasagro.lt
Kėdainiai District ŽŪB Nemunas	67.98%	Mixed agricultural activities	21/10/1992, code of legal entity 161268868, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 74, Žibartoniai vill., LT-78323 Panevėžys district, Lithuania Ph. +370 45 557 444 E-mail nemunas@linasagro.lt
UAB Landvesta 1	100%	Rent and management of agricultural land	21/10/2005, code of legal entity 300501060, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 2	100%	Rent and management of agricultural land	21/10/2005, code of legal entity 300501085, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 3	100%	Rent and management of agricultural land	21/10/2005, code of legal entity 300501092, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 4	100%	Rent and management of agricultural land	23/04/2007, code of legal entity 300709428, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143, Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 5	100%	Rent and management of agricultural land	16/8/2007, code of legal entity 301019661, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 6	100%	Rent and management of agricultural land	14/1/2008, code of legal entity 301520074, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Noreikiškės	100%	Rent and management of agricultural land	16/8/2012, code of legal entity 302841649, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 70, Žibartoniai vill., LT-38323 Panevėžys district, Lithuania Ph. +370 45 507 406 E-mail noreikiskes@linasagro.lt
UAB Užupė*	100%	Mixed agricultural activities	6/4/2011, code of legal entity 302612561, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Liaudės St. 81, Užupės vill., LT-58311 Kėdainiai district, Lithuania Ph. +370 698 58583 E-mail uzupe@linasagro.lt
UAB Paberžėlė	100%	Rent and management of agricultural land	30/6/2008, code of legal entity 301772627, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Liaudės St. 81, Užupės vill., LT-58311 Kėdainiai district, Lithuania Ph. +370 698 58583 E-mail paberzele@linasagro.lt
UAB Lineliai	100%	Rent and management of agricultural land	9/3/2012, code of legal entity 302740714, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C-3, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 Fax +370 45 507 404 E-mail lineliai@linasagro.lt

ANNEX III: COMPANIES INCLUDED IN THIS REPORT

COMPANY NAME	SHARE OF STOCK HELD BY THE GROUP	PRINCIPAL ACTIVITIES	REGISTRATION DATE, CODE OF LEGAL ENTITY, LEGAL FORM, COMPANY REGISTER	CONTACT DATA
UAB GeoFace	98.53%	Software development	12/03/2018, code of legal entity 304781617, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Brastos St. 14, –Karaliaus Mindaugo per, 37 LT-44307 Kaunas, Lithuania Ph. +370 676 99 244 Email info@geoface.com
AB Kauno Grūdai	89.59%	Production and wholesale of flour and flour products, compound feed, extruded products, and instant foods; products and services for farming; wholesale of feed materials; fumigation, disinsection, disinfection and deratization services	15/10/1993, code of legal entity 133818917, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania Ph. +370 37 223317 E-mail info@kggroup.eu www.kauno-grudai.lt
UAB KG Logistika	84.93%	Freight transport services	25/9/2007, code of legal entity 301133864, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 618 10826
UAB VP Valda	84.93%	Rent of own real estate	24/5/2021, code of legal entity 305776014, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 614 23749 E-mail t.sprindziunas@paukstynas.lt
UAB KP Valda	84.92%	Rent of own real estate	24/5/2021, code of legal entity 305775535, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 614 23749 E-mail t.sprindziunas@paukstynas.lt
UAB Agro Logistic Service	100%	Wholesale of feedstuff for fodder and premix production	6/3/2013, code of legal entity 303014392, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. ir O. Minkovskių St. 120 LT-46550 Kaunas, Lithuania Ph. +370 640 59608 E-mail info@agrols.eu www.agrols.eu
SIA Linas Agro	96.58%	Wholesale trade of grain and oilseeds, agricultural input supply	23/4/2003, code of legal entity 53603019011, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Baltijas Ceļš, Brankas, Cenu district, Jelgava municipality, LV-3043, Latvia Ph. +371 630 840 24 Fax +371 630 842 24 E-mail info@linasagro.lv www.linasagro.lv
SIA Linas Agro Graudu Centrs	97.98%	Grain processing and storage	2/5/2013, code of legal entity 43603059101, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Jaunsalieši, LV-5202 Jekabpils, Latvia Ph. +371 220 001 82 E-mail graudu.centrs@linasagro.lv
LLC LINAS AGRO UKRAINE	97.06%	Representative office	30/07/2018, code of legal entity 42340549, The United State Register of Legal Entities, Individual Entrepreneurs and Public Organizations of Ukraine	Verhniy Val St. 28, Kiev, 04071, Ukraine Ph. + 380 96 634 24 02 E-mail info.ukraine@linasagro.lt
SIA Dotnuva Baltic	100%	Sale of agricultural machinery and equipment for grain elevators	26/04/2010, code of legal entity 43603041881, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Baltijas Ceļš, Brankas, Cenu district, Jelgava municipality, LV-3043, Latvia Ph. +371 679 131 61 Fax +371 677 602 52 E-mail info@dotnuvabaltic.lv www.dotnuvabaltic.lv
AS Dotnuva Baltic	100%	Sale of agricultural machinery and equipment for grain elevators	11/11/2010, code of legal entity 12019737, Centre of Registers and Information Systems (RIK)	Savimäe 7, Vahi 60534, Tartu district, Estonia Ph. +372 661 2800 Fax +372 661 8004 E-mail info@dotnuvabaltic.ee www.dotnuvabaltic.ee

ANNEX III: COMPANIES INCLUDED IN THIS REPORT

COMPANY NAME	SHARE OF STOCK HELD BY THE GROUP	PRINCIPAL ACTIVITIES	REGISTRATION DATE, CODE OF LEGAL ENTITY, LEGAL FORM, COMPANY REGISTER	CONTACT DATA
AS Putnu Fabrika Kekava	97.19%	Poultry farming, production, and marketing of poultry and poultry products	11/6/1991, code of legal entity 50003007411, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Kekava, Kekava district, LV-2123 Latvia Ph. +371 6787 4000 Fax +371 6787 4001 E-mail info@pfkekava.lv www.vistas.lv
SIA PFK TRADER	97.19%	Food retail	26/8/2013, code of legal entity 40103703853, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Kekava, Kekava district, LV-2123 Latvia Ph. +371 6787 4000 Fax +371 6787 4001 E-mail info@pfkekava.lv www.vistas.lv
AB Vilniaus Paukštynas	84.93%	Chicken raising for meat and egg production, production of poultry and its products	21/1/1993, code of legal entity 186107463, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 5 2687331 E-mail vilniaus.paukstynas@paukstynas.lt www.paukstynas.lt
AB Kaišiadorių Paukštynas	84.92%	Chicken raising for meat and egg production, production of poultry and its products	20/05/1993, code of legal entity 158891218, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštinių St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 346 51034 E-mail kaisiadoriu.paukstynas@paukstynas.lt www.paukstynas.lt
UAB Šlaituva	89.59%	Production and wholesale of breadcrumbs and breeding mixes	30/3/1994, code of legal entity 134019827, private limited liability company, Register of Enterprises of Republic of Lithuania, VĮ Registrų centras	Sodų St. 7, 53290 Linksmakalnis, Kaunas district, Lithuania Ph. +370 37 473446
AB Želvė	72.38%	Broiler breeding	10/3/1995, code of legal entity 181323215, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Tiesioji St. 21, 21364 Daučiuliškės, Elektrėnai municipality, Lithuania Ph. +370 528 26536
UAB Kormoprom Invest	100%	Management services	24/11/2015, code of legal entity 304141542, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Subačiaus St. 5, LT-01302 Vilnius, Lithuania Ph. +370 619 19403
UAB TABA Holding	100%	Management services	24/11/2015, code of legal entity 304141581, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Subačiaus St. 5, LT-01302 Vilnius, Lithuania Ph. +370 619 19403
UAB Baltic Fumigation Service	89.59%	Fumigation services	7/3/2005, code of legal entity 300094020, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Stoties St. 38, 70484 Pilviškiai, Vilkaviškis district, Lithuania Ph. +370 655 62153
UAB KG Mažmena	89.59%	Retail trade	14/3/2011, code of legal entity 302602745, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania Ph. +370 656 50366 E-mail info@kggroup.eu
UAB KG Distribution	84.93%	Consultation and business management	29/8/1997, code of legal entity 186442465, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 5 2687331
UAB Lietbro	84.93%	Broiler breeding	13/12/2004, code of legal entity 300073371, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Nevežio St. 70, Velžys, Panevėžys district, LT-38129 Lithuania Ph. +370 642 72857

ANNEX III: COMPANIES INCLUDED IN THIS REPORT

COMPANY NAME	SHARE OF STOCK HELD BY THE GROUP	PRINCIPAL ACTIVITIES	REGISTRATION DATE, CODE OF LEGAL ENTITY, LEGAL FORM, COMPANY REGISTER	CONTACT DATA
UAB Avocetė	84.93%	Management services	17/12/2003, code of legal entity 186758285, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 685 17342
UAB VKP Valdymas	84.93%	Consultation and business management	3/11/2011, code of legal entity 302682691, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 5 2687331 E-mail t.sprindziunas@paukstynas.lt
UAB Domantonių Paukštynas	89.50%	Broiler breeding	2/6/2004, code of legal entity 300030822, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Muizėlėnai vill., Alytus district, Lithuania Ph. +370 615 51259
UAB Alesninkų Paukštynas	84.92%	Broiler breeding	28/2/2005, code of legal entity 300092247, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Tiesioji St. 21, 21364 Daučiuliškės, Elektrėnai municipality, Lithuania Ph. +370 528 26536
SIA Lielzeltīni	100%	Poultry farming, production, and marketing of poultry and poultry products, feed production	7/7/1994, code of legal entity 40003205232, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	"Mazzeltīni", Janeikas, Bauskas district, Latvia Ph. +371 6396 0770 Fax +371 6396 0768 E-mail lielzeltini@lielzeltini.lv www.lielzeltini.lv
SIA Broileks	100%	Chicken breeding and sale	7/12/2009, code of legal entity 50103262981, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Gaismas St, 2A-48, Kekava LV-2123, Latvia Ph./Fax +371 67313182
SIA Cerova	100%	Egg incubation and chicken sale	8/10/2003, code of legal entity 43603019946, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Centra St. 11, Musa, Bauskas district, Latvia Ph. +371 2633 4110 Fax +371 6392 6234 E-mail cerova@latnet.lv
Linās Agro OÜ	97.06%	Products for crop growing	8/10/2020, code of legal entity 16071924, Centre of Registers and Information Systems (RIK)	Savimae 7, Vahi 60534, Tartu region, Estonia Ph. +372 6602810 Email info@linasagro.ee www.linasagro.ee
SIA KG Latvija	89.59%	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing	2/4/2014, code of legal entity 40103775495, Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Škunu St 2, Peltes, Sigulda Parish, Sigulda Municipality, LV-2150, Latvia Ph. +371 2240 1142
KG Polska Sp.zo.o.	89.59%	Wholesale of feed materials	26/10/2011, code of legal entity 200655918, National Court Register (Krajowy Rejestr Sądowy)	Sejenska St. 51, Suwalki, Poland Ph. +487 565 08 01
Nordic Agro investment Limited	89.59%	Management services	9/5/2011, code of legal entity 07625931, Companies House	93 Tudor drive, Kingston, Surrey, England, KT2 5NP, UK Ph. +44 (0)20 8974 5252
OOO KLM	62.72%	Wholesale of products for crop growing, veterinary products, premixes, and seeds for gardening	7/9/2007, code of legal entity 69608281, Ministry of Justice of the Republic of Belarus	Sosnovaja St. 7, office 9, Sonečnij vill., Minsk region, Belarus Ph. +375 172379980 E-mail office@klm-agro.by www.klm-agro.by

ANNEX IV: COMPANIES NOT INCLUDED IN SUSTAINABILITY REPORT

Dormant companies (1-2, 4-8), companies under liquidation (3), associates not attributable to the Group (9-10), little activity management services or similar companies (11-13), as well as subsidiary in Belarus (14), were not included in the scope of the report:

1. UAB Gerera (dormant, the Group owns 97.06% stock) - private limited liability company, founded 15/1/1993, code of legal entity 147676584, address Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
2. UAB Kekava Foods LT (dormant, the Group owns 100% stock) - private limited liability company, founded 8/3/2018, code of legal entity 304784428, address Subačiaus St. 5, LT-01302 Vilnius, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
3. Linas Agro A/S (under liquidation, the Group owns 97.06% stock)-private limited liability company, founded 15/3/1994, code of legal entity CVR 17689037, address Vinkel Allé 1, DK-9000 Aalborg, Denmark, company register – Danish Commerce and Companies Agency;
4. UAB Gastroneta (dormant, the Group owns 84.93% stock)- private limited liability company, founded 15/2/2000, code of legal entity 125057526, address Dariaus ir Girėno St. 175, LT-02189 Vilnius, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
5. UAB Kaišiadorių Paukštyno Mažmena (dormant, the Group owns 84.92% stock)- private limited liability company, founded 2/6/1999, code of legal entity 158986919, address Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
6. KG Eesti OU (dormant, the Group owns 89.59% stock) - private limited liability company, founded 12/7/2016, code of legal entity 14079784, address P. Suda 11, 10118 Tallinn, Estonia, company register – Centre of Registers and Information Systems (RIK);
7. UAB Uogintai (dormant, the Group owns 84.92% stock) - private limited liability company, founded 10/11/2006, code of legal entity 300614873, address Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
8. Kooperatyvas Baltoji Plunksnelė (dormant, the Group owns 83.33% stock) - cooperative, founded 22/11/2007, code of legal entity 301293559, address Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania; company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
9. KG Khumex Coldstore B.V. (associate, the Group owns 42.46% stock) - private limited liability company, founded 16/11/2016, code of legal entity 67283845, address Landauer 11, 3897AB Zeewolde, the Netherlands; company register – Chamber of Commerce (Kamer van Koophandel);
10. KG Khumex B.V. (associate, the Group owns 50% stock) - private limited liability company, founded 17/12/2012, code of legal entity 56668317, address Landauer 9, 3897AB Zeewolde, the Netherlands; company register – Chamber of Commerce (Kamer van Koophandel).
11. UAB Kormoprom Invest (Subsidiary, the Group owns 100% stock) - private limited liability company, founded 24/11/2015, code of legal entity 304141542, address Subačiaus St. 5, LT-01302 Vilnius, Lithuania; company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
12. UAB TABA Holding (Subsidiary, the Group owns 100% stock) - private limited liability company, founded 24/11/2015, code of legal entity 304141581, address Subačiaus St. 5, LT-01302 Vilnius, Lithuania; company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
13. Nordic Agro investment Limited (Subsidiary, the Group owns 89.59% stock) - private limited liability company, founded 9/5/2011, code of legal entity 07625931, address 93 Tudor drive, Kingston, Surrey, England, KT2 5NP, UK; company register – State Enterprise, Companies House;
14. OOO KLM (Subsidiary, the Group owns 62.72% stock) - private limited liability company, founded 7/9/2007, code of legal entity 69608281, address Sosnovaja St. 7, office 9, Sonečnij vill., Minsk region, Belarus; company register – Ministry of Justice of the Republic of Belarus.

ANNEX V: MANAGEMENT BOARD MEMBER PARTICIPATION

DARIUS ZUBAS

Companies of the Group	Position	Since
UAB Dotnuva Seeds, 306313873, Tilto g. 2C, Dotnuva, Kėdainiai district, Lithuania	Member of the Board	2023
AB Kauno Grūdai, 133818917, H. ir O. Minkovskių St. 63, Kaunas, Lithuania	Chairman of the Board	2021
AB Vilniaus Paukštynas, 186107463, Gamyklos St. 27, Rudamina, Vilnius district, Lithuania	Chairman of the Board	2021
AB Kaišiadorių Paukštynas, 158891218, Paukštininkų St. 15, Kaišiadorys, Lithuania	Chairman of the Board	2021
AB Zelvė, 181323215, Tiesioji St. 21, Daučiuliškės vill., Elektrėnai municipality, Lithuania	Chairman of the Board	2021
UAB Linas Agro Konsultacijos, 248520920, Žibuoklių St. 20, Kėdainiai, Lithuania	Vice Chairman of the Board	2020
UAB Dotnuva Baltic, 261415970, Parko St. 6, Akademija, Kėdainiai district, Lithuania	Member of the Board	2019
SIA Lielzeltini, 40003205232, "Mazzeltini", Janeikas, Bauskas district, Latvia	Chairman of the Council	2015
AS Putnu Fabrika Kekava, 50003007411, Kekava, Kekava district, Latvia	Chairman of the Council	2014

Other companies:

UAB Darius Zubas Holding, 305363909, Subačiaus St. 5, Vilnius, Lithuania	Chairman of the Board	2019
UAB MESTILLA, 300097027, Kretainio St. 5, Klaipėda, Lithuania	Chairman of the Board	2006

ANDRIUS PRANCKEVIČIUS

Companies of the Group:	Position	Since
AB Kauno Grūdai, 133818917, H. ir O. Minkovskių St. 63, Kaunas, Lithuania	CEO Vice Chairman of the Board	2021
AB Vilniaus Paukštynas, 186107463, Gamyklos St. 27, Rudamina, Vilnius district, Lithuania	Vice Chairman of the Board	2021
AB Kaišiadorių Paukštynas, 158891218, Paukštininkų St. 15, Kaišiadorys, Lithuania	Vice Chairman of the Board	2021
AB Zelvė, 181323215, Tiesioji St. 21, Daučiuliškės vill., Elektrėnai municipality, Lithuania	Vice Chairman of the Board	2021
UAB Linas Agro Konsultacijos, 248520920, Žibuoklių St. 20, Kėdainiai, Lithuania	Chairman of the Board	2020
AS Putnu Fabrika Kekava, 50003007411, Kekava, Kekava district, Latvia	Chairman of the Board	2015
SIA Lielzeltini, 40003205232, "Mazzeltini", Janeikas, Bauskas district, Latvia	Chairman of the Board	2015
SIA Cerova, 43603019946, Centra St. 11, Musa, Ceraukstes par., Bauskas district, Latvia	Chairman of the Board	2015
SIA Broileks, 50103262981, Gaismas St. 2A-48, Kekava, Latvia	Chairman of the Board	2015

Other companies:

Lithuanian Poultry Association, 120748664, Verkių St. 5, Vilnius, Lithuania	Chairman of the Council	2022
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DAINIUS PILKAUSKAS

Companies of the Group:	Position	Since
UAB Linas Agro Grūdų Centrai, 148451131, Smėlynės St. 2C, Panevėžys, Lithuania	Vice Chairman of the Board	2022
SIA Linas Agro, 53603019011, 'Baltijas Ceļš', Brankas, Cenu district, Jelgava municipality, Latvia	Member of the Supervisory Council	2020
AB Linas Agro, 147328026, Smėlynės St. 2C-3, Panevėžys, Lithuania	Trade Director for Baltic States Member of the Board	2006 2006

MAŽVYDAS ŠILEIKA

Company name, code of legal entity, address	Position	Since
UAB Kekava Foods LT, 304784428, Subačiaus St. 5, Vilnius, Lithuania	Director	2023
AS Putnu Fabrika Kekava, 50003007411, Kekava, Kekava district, Latvia	Member of the Supervisory Council	2022
SIA Lielzeltini, 40003205232, "Mazzeltini", Janeikas, Bauskas district, Latvia	Member of the Supervisory Council	2022
UAB TABA Holding, 304141581, Subačiaus St. 5, Vilnius, Lithuania	Director	2021
UAB Kormoprom Invest, 304141542, Subačiaus St. 5, Vilnius, Lithuania	Director	2021
AB Kauno Grūdai, 133818917, H. ir O. Minkovskių St. 63, Kaunas, Lithuania	Member of the Board	2021
AB Vilniaus Paukštynas, 186107463, Gamyklos St. 27, Rudamina, Vilnius district, Lithuania	Member of the Board	2021
AB Kaišiadorių Paukštynas, 158891218, Paukštininkų St. 15, Kaišiadorys, Lithuania	Member of the Board	2021
AB Zelvė, 181323215, Tiesioji St. 21, Daučiuliškės vill., Elektrėnai municipality, Lithuania	Member of the Board	2021
UAB Linas Agro Konsultacijos, 248520920, Žibuoklių St. 20, Kėdainiai, Lithuania	Member of the Board	2021
AB Linas Agro, 147328026, Smėlynės St. 2C-3, Panevėžys, Lithuania	Member of the Board	2021

Other companies:

UAB MESTILLA, 300097027, Kretainio St. 5, Klaipėda, Lithuania	Member of the Board	2023
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ARŪNAS ZUBAS

Companies of the Group:	Position	Since
AS Putnu Fabrika Kekava, 50003007411, Kekava, Kekava district, Latvia	Vice Chairman of the Supervisory Council Member of the Supervisory Council	2018 2015
SIA Lielzeltini, 40003205232, "Mazzeltini", Janeikas, Bauskas district, Latvia	Vice Chairman of the Supervisory Council Member of the Supervisory Council	2018 2015
AS Putnu Fabrika Kekava, 50003007411, Kekava, Kekava district, Latvia	Vice Chairman of the Supervisory Council Member of the Supervisory Council	2018 2015

Other companies:

UAB MESTILLA, 300097027, Kretainio St. 5, Klaipėda, Lithuania	Vice Chairman of the Board Managing Director	2018 2005
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JONAS BAKŠYS

Companies of the Group:	Position	Since
SIA Dotnuva Seeds, 40203489925, 'Iecavas baze', Iecava, Bauskas district, Latvia	Chairman of the Supervisory Council	2023
UAB Dotnuva Seeds, 306313873, Tilto St. 2C, Dotnuva, Kėdainiai district, Lithuania	Vice Chairman of the Board CEO	2023 2023
UAB Linas Agro Grūdų Centrai, 148451131, Smėlynės St. 2C, Panevėžys, Lithuania	Member of the Board	2022
UAB GeoFace, 304781617, Karaliaus Mindaugo av. 37, Kaunas, Lithuania	Director	2022
AB Kauno Grūdai, 133818917, H. ir O. Minkovskių St. 63, Kaunas, Lithuania	Chairman of the Board Member of the Board	2022 2021
Linas Agro OU, 16071924, Savimäe 7, Vahi, Tartu district, Estonia	Member of the Supervisory Council	2020
UAB Dotnuva Baltic, 261415970, Parko St. 6, Akademija, Kėdainiai district, Lithuania	Vice Chairman of the Board CEO	2019 2019
SIA Linas Agro, 53603019011, 'Baltijas Ceļš', Brankas, Cenu district, Jelgava municipality, Latvia	Vice Chairman of the Supervisory Council	2019
SIA Dotnuva Baltic, 43603041881, 'Baltijas Ceļš', Brankas, Cenu district, Jelgava municipality, Latvia	Vice Chairman of the Supervisory Council	2019
AS Dotnuva Baltic, 12019737, Savimäe 7, Vahi, Tartu district, Estonia	Member of the Supervisory Council	2019
AB Linas Agro, 147328026, Smėlynės St. 2C-3, Panevėžys, Lithuania	CFO Member of the Board	2019 2018

ANNEX VI: BRANDS AND PRODUCTS WE REPRESENT

AGRICULTURAL MACHINERY



FARM EQUIPMENT



GRAIN CLEANING, DRYING, AND STORAGE FACILITIES



ADJUSTABLE DRAINAGE SYSTEM



SEEDS



Grow to expect the best



We create chemistry



Der Raps

PLANT CARE PRODUCTS, FERTILISERS



PLANT CARE PRODUCTS, FERTILISERS



Der Raps

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.

ANNEX VII: GHG INVENTORY

ACCOUNTING PRINCIPLES

This is our second year consolidated GHG emissions accounting effort based on the Greenhouse Gas Protocol.

RELEVANCE

We analyzed the entire value chain of the Group to make sure that collected GHG inventory reflects Group activities and GHG emissions. All relevant Group activities are described in our sustainability report.

COMPLETENESS

We account for and report on all GHG emission sources and activities within the chosen inventory boundary. Contextual information behind reported results is presented for all relevant inventories. All exclusions and reasons for excluding are listed below.

CONSISTENCY

We use consistent methodologies to allow for meaningful comparisons of emissions over time. All emission factors and other indicators are carefully documented.

TRANSPARENCY

All relevant issues are addressed in a factual and coherent manner, based on relevant activity data. We disclose relevant accounting methods and assumptions behind our calculations, and assess the reliability of results.

ACCURACY

Quantification of final results is comparable and reports in unified units (tCO₂ equivalent).

ACCOUNTING APPROACH

We account for 100 percent of the GHG emissions from operations, over which we have operational control.

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 organization.

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 fertilizers 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 13 modern grain storage facilities, which includes 10 facilities in Lithuania and 3 in Latvia, farming companies also run their own grain drying and storage facilities. Poultry business is responsible for 88% of natural gas consumption within the Group.

Reliability: high. Data collected directly from company records.

Source	Unit	Quantity	tCO ₂ eq
Natural gas	1000 m ³	25,019.5	46,911.6
Diesel	1000 l	156.0	392
LPG	1000 kg	2,895.4	4,498.6
Total			51,802.2

GHG emissions from stationary machinery, Linas Agro Group, AB, 2022/23

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	1000 l	2,514	6,315.2
Diesel for other activities	1000 l	3,726.3	9,360.8
Petrol	1000 l	613.9	1,287.7
Total			13,505.3

GHG emissions from mobile machinery, Linas Agro Group, AB, 2022/23

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.

	Unit	Quantity	tCO ₂ eq
Refrigerants	t	0.959	2,364
Total			2,364

GHG emissions from refrigerants, Linas Agro Group, AB, 2022/23

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.

	Unit	Quantity	tCO ₂ eq
Application of chemical fertilizers	t	9,490	24,922.05
Manure management			942.3
Total			25,864.4

GHG emissions from managed soils, Linas Agro Group, AB, 2022/23

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

ANNEX VII: GHG INVENTORY

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	7,210	19,418
Broilers	Animal	49,813,205	9,422.4
Parental flock	Animal	479,443	1,252.1
Manure management			8,702
Total			41,257

GHG emissions from livestock, Linas Agro Group, AB, 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	19,229	-21,584
Total			-21,584

GHG sequestration, Linas Agro Group, AB, 2022/23

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 2021 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.

Reliability: high. Data collected directly from company records.

SOURCE	UNIT	QUANTITY	tCO ₂ eq
Green electricity (market-based)	Gwh	86.3	0
Not certified electricity (market-based)	Gwh	1.3	283.4
Heating (market-based)	Mwh	0.46	82
Total market-based			365.4

Scope 2 market-based GHG emissions Linas Agro Group, AB, 2022/23



SOURCE	UNIT	QUANTITY	tCO ₂ eq
Green electricity (location-based)	Gwh	86.3	29,342
Not certified electricity (location-based)	Gwh	1.3	442
Heating (location-based)	Mwh	0.46	176
Total location-based			29,960

Scope 2 location-based GHG emissions Linas Agro Group, AB, 2022/23

ANNEX VII: GHG INVENTORY



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 2021 emission factors.
- GHG emissions from fertilizer production process are estimated based on composition of fertilizers 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	t	276,576	92,990
Soya	t	58,573	14,643
Grain products	t	33,112	9,157
Purchased feed	t	81,872	24,561
Fertilisers	t	9,490	16,133
Purchased raw meat	t	29,349	102,721
Food oil	t	10,187	29,489.4
Food additives	t	28,045	8,413.5
Plastic packaging	t	7,165	22,328.9
Paper packaging	t	6,317	4,421.9
Cleaning agents and other petrochemicals	t	7,818	13,290.6
Metal packaging	t	168	160
Seeds	t	2,806	750
Plant protection	t	92	156
Wooden packaging	t	1,055.8	422.32
Total			339,219

Scope 3 GHG emissions from input production, Linas Agro Group, AB 2022/23

FUEL AND ENERGY RELATED ACTIVITIES

We apply DEFRA 2023 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	87.6	1,578.5
Well to tank (natural gas)	1,000 m3	25,019	8,421.6
Well to tank (diesel)	1,000 l	6,240	3,901.8
Well to tank (LPG)	1,000 kg	2,970.7	1,037.6
Well to tank (petrol)	1,000 l	613.9	356.1
Total			15,295.6

Scope 3 GHG emissions from fuel and energy related activities, Linas Agro Group, AB 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	44,306,939	24,590
Downstream transportation of products	tkm	70,750,350	43,011
Transportation of goods for farmers	tkm	4,400,200	25,917
Transportation of grain (trade)	tkm	1,720,000,000	99,958
Total			193,476

Scope 3 GHG emissions from upstream and downstream transportation, Linas Agro Group, AB 2022/23

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 generated operations	t	3,836	83
End of life for packaging sold	t	14,712	2,943
Total			3,026

Scope 3 GHG emissions from waste treatment, Linas Agro Group, AB 2022/23

ANNEX VII: GHG INVENTORY

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.

ANNEX VIII: EU TAXONOMY REGULATION

Overview of the alignment with the EU Taxonomy Regulation. 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 scientific evidence-based criteria for assessing the sustainability of activities and sets out reporting obligations for companies.

Taxonomy-eligible economic activities are defined as activities described in the delegated acts of the Taxonomy Regulation, i.e. included in the Taxonomy. Companies that have identified that their economic activity's revenue (Turnover), capital expenditure (CapEx) and/or operating expenses (OpEx) are related to a taxonomy-eligible activity are required to carry out an analysis and disclose the extent to which their activity meets the Taxonomy criteria in relation to these indicators. Taxonomy-aligned activities are those, that meet the technical analysis criteria listed in Annexes I and II of the Delegated Regulation (EU) 2021/2139, i.e. make a significant contribution to at least one of the six environmental objectives and do not significantly harm the other five. At the time of writing this overview, the significant contribution criteria have been adopted for two of the objectives: climate change mitigation and climate change adaptation.

In this overview, we present consolidated information on the taxonomy-eligible activities of Linas Agro Group AB 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 2022-2023 (hereinafter - FY 2022-2023), 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. The Taxonomy assessment excludes revenues and expenses arising from transactions between Group companies.

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.

While there is no comprehensive Group-wide assessment of climate risks and vulnerabilities, certain companies within the Group conduct ongoing assessments and implement solutions to address physical climate risks associated with taxonomy-eligible activities. These efforts are reflected in the Taxonomy assessment results tables (žr. žemiau).

ASSESSMENT OF REVENUE IN ACCORDANCE WITH TAXONOMY. The Taxonomy indicator related to turnover is defined in point 1.1.1 of Annex I to the Delegated Regulation (EU) 2021/2178.

The Group's main business segments (grain, oilseed and feed, products and services for farming, agricultural production, food products and others), from which the Group's companies derive their income, are not included in the Taxonomy at this date. Our analysis has shown that only a small proportion (0.54%) of the Group's revenue is taxonomy-eligible. The Group's taxonomy-eligible turnover includes revenues from the construction of elevators, and equipment (7.1); ownership and leasing of buildings to third parties (7.7); leasing of freight transport by road, sea and coastal water (6.6 and 6.10 respectively). The numbers in brackets next to the activities refer to the taxonomy-eligible activity number in the Delegated Regulation (EU) 2021/2139 setting out the criteria for technical screening. The table „ASSESSMENT OF REVENUE IN ACCORDANCE WITH TAXONOMY“ shows the detailed results of the assessment of the taxonomy-eligible activities against the technical screening criteria.

We did not collect detailed data on Group companies' compliance with the Taxonomy criteria regarding revenues from the "construction of new buildings" and "acquisition and ownership of buildings" activities. These activities, constituting only 0.01% of the total revenue stream, are not part of the Group's targeted economic activities and are thus deemed not material. We may gather and present this data in next year's reports, as necessary.

Our technical analysis has shown that the Group's current activities partially fulfil the Taxonomy criteria, resulting in an overall assessment of non-alignment. Recognizing the high sustainability standards set by the Taxonomy criteria, we intend to explore possibilities for presenting more detailed information in the future and enhancing our alignment with the Taxonomy criteria.

ASSESSMENT OF CAPITAL EXPENDITURE (CAPEX) IN ACCORDANCE WITH TAXONOMY. The Taxonomy indicator related to capital expenditure is defined in point 1.1.2 of Annex I to the Delegated Regulation (EU) 2021/2178.

A significant proportion of the Group's capital expenditure (33.2%) relates to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions. The Group's expenditure that is taxonomy-eligible is related to the acquisition of real estate (7.7), the construction of new non-residential buildings (7.1), the purchase of cars and trucks (6.5 and 6.6, respectively), and the installation of a new solar photovoltaic power plant (7.6). The numbers in brackets next to the activities refer to the taxonomy-eligible activity number in the Delegated Regulation (EU) 2021/2139 setting out the criteria for technical screening. The table „ASSESSMENT OF CAPITAL EXPENDITURE (CAPEX) IN ACCORDANCE WITH TAXONOMY“ shows the detailed results of the assessment of the taxonomy-eligible activities against the technical screening criteria.

The Taxonomy CapEx indicator encompasses only those buildings and structures that were finalized and officially registered in the real estate register within the reporting period (covering expenses incurred during the financial year). This includes all residential and non-residential buildings and structures, as well as construction works of exceptional significance and simple construction works related to residential and non-residential buildings and structures, as defined by the Republic of Lithuania's Law on Construction.

Our technical analysis has shown that the Group's current activities partially fulfil the Taxonomy criteria, resulting in an overall assessment of non-alignment. Recognizing the high sustainability standards set by the Taxonomy criteria, we intend to explore possibilities for presenting more detailed information in the future and enhancing our alignment with the Taxonomy criteria.

ASSESSMENT OF OPERATING COSTS (OPEX) IN ACCORDANCE WITH TAXONOMY.

Operating costs (OpEx) are defined in the Taxonomy regulation as direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. The accounting system currently used by the Group is not adapted to exclude data according to the definition of Taxonomy OpEx. The specific data is therefore unavailable and is not provided in this overview. Looking ahead, we plan to better prepare and provide at least the most significant data for this indicator in our future reports.

MINIMUM SAFEGUARDS.

According to the Taxonomy, economic activities should only qualify as environmentally sustainable where they are carried out in alignment with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights, including the declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the eight fundamental conventions of the ILO and the International Bill of Human Rights. We have assessed our Group's compliance with this requirement against the Final Report on Minimum Safeguards 2022 of the EU Platform on Sustainable Finance. According to this report, the Group has implemented minimum safeguards; however, during the reporting period, one accident occurred at the Group's company Vilniaus Paukštynas AB and a violation of the Republic of Lithuania Law on Safety and Health at Work was recorded (for more information, please refer to the section of the sustainability report titled "Social impacts. Good health and well-being"). Hence, we evaluate compliance with this Taxonomy requirement as partially met. We are committed to advancing and broadening the implementation of the Group's good governance practices and policies, including the channels for reporting potential breaches.

ANNEX VIII: EU TAXONOMY REGULATION

Economic activity	NACE code(s)	Absolute revenue 2022-2023	Proportion of revenue 2022-2023	Substantial contribution criteria		Do no significant harm criteria						Minimum safeguards	Taxonomy-aligned proportion of revenue 2022-2023	Category (enabling)	Category (transitional)
				Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems				
		thousand Eur	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activity:															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%										0%		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
7.1. Construction of new buildings	68.2	7,736	0,38%	n/a ¹	n/a ¹	N	N	N	N	N	N	N			
7.7. Acquisition and ownership of buildings	41.2	165	0,01%	n/a ¹	n/a ¹	n/a ¹	n/a ¹						N		
6.6. Freight transport services by road	49.41	2,757	0,14%	0,40%	0,15%	N	N		N	N		N			
6.10. Sea and coastal freight water transport, vessels for port operations and auxiliary activities	50.2	216	0,01%	100%	0%	Y	N	Y	Y	Y	N	N			
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		10,874	0,54%												
Total: A.1 + A.2		10,874	0,54%												
B. Taxonomy-non-eligible activities															
Revenue of Taxonomy-non-eligible activities (B)		2,001,944	99,46%												
TOTAL: A + B		2,012,818	100 %												

Assessment of revenue in accordance with Taxonomy 2022/2023

Notes: ¹ Not all accurate information is available, so a definitive assessment is not provided.

ANNEX VIII: EU TAXONOMY REGULATION

Economic activity	NACE code(s)	Absolute Taxonomy CapEx in 2022-2023	Proportion of taxonomy CapEx 2022-2023	Substantial contribution criteria		Do no significant harm criteria						Minimum safeguards	Taxonomy-aligned proportion of Taxonomy CapEx 2022-2023	Category (enabling)	Category (transitional)
		thousand Eur	%	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Y/N	%	E	T
<i>A. Taxonomy-eligible activity:</i>															
<i>A.1. Environmentally sustainable activities (Taxonomy-aligned)</i>															
Taxonomy CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%										0%		
<i>A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</i>															
7.7. Acquisition and ownership of buildings	L68	2,190	4.83%	25.2%	36.4%	N	N					N			
7.1. Construction of new buildings	F41.1, F41.2, F43	7,596	16.74%	0%	6.1%	N	N	N	N	N	N	N			
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	H49.39, N77.11	3,735	8.23%	12.2%	44.9%	N	N		n/a ¹	n/a ¹		N			
6.6. Freight transport services by road	H49.4.1, N77.1.2	1,381	3.04%	37.9%	43.7%	N	N		n/a ¹	N		N			
7.6. Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	174	0.38%	100%	0%	Y	N					N			
Taxonomy CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		15,076	33.23%												
Total: A.1 + A.2		15,076	33.23%												
<i>B. Taxonomy-non-eligible activities</i>															
Taxonomy CapEx of Taxonomy-non-eligible activities (B)		30,293	66.77%												
TOTAL: A + B		45,369	100%												

Assessment of capital expenditure (CapEx) in accordance with Taxonomy, 2022/2023

Notes: ¹ Not all accurate information is available, so a definitive assessment is not provided.

ANNEX IX: GRI INDEX TABLE

Disclosure number	Disclosure Title and Description	Sector standard	Page(s)/value
Statement of use	AB Linas Agro Group has reported the information cited in this GRI content index for the period July 1, 2022 – Jun 96, 2023 with accordance to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
Applicable GRI	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022		
Sector standards			
The organization and its reporting practices			
2-1	Organizational details		2, 78, 81, 50, 84, 67-73
2-2	Entities included in the organization's sustainability reporting		78, 50, 67-73, 121
2-3	Reporting period, frequency and contact point		78
2-4	Restatements of information		78
2-5	External assurance		78
Activities and workers			
2-6	Activities, value chain and other business relationships		80, 81, 9, 93 – 99, 115, 117, 122
2-7	Employees		80
2-8	Workers who are not employees	13.21.2	
Governance			
2-9	Governance structure and composition		61-64
2-10	Nomination and selection of the highest governance body		61-64
2-11	Chair of the highest governance body		2, 3, 61-64
2-12	Role of the highest governance body in overseeing the management of impacts		2, 3, 78,
2-13	Delegation of responsibility for managing impacts		85, 87,
2-14	Role of the highest governance body in sustainability reporting		78,
2-15	Conflicts of interest		56-60
2-16	Communication of critical concerns		Directly. No critical concerns were reported
2-17	Collective knowledge of the highest governance body		61-64, 66
2-18	Evaluation of the performance of the highest governance body		61-64
2-19	Remuneration policies		https://www.linasagrogroup.it/en/sustainability/corporate-social-responsibility-policy-2/remuneration-policy/
2-20	Process to determine remuneration		
2-21	Annual total compensation ratio		6
Strategy, policies and practices			
2-22	Statement on sustainable development strategy		2, 3, 79, 86, 88 – 91,
2-23	Policy commitments		88 – 91, 114, 118, 42 - 47
2-24	Embedding policy commitments		82, 83, 85, 86, 87, 88 – 92, 93, 94, 95, 96, 97, 110-117, 42-47
2-25	Processes to remediate negative impacts		82, 83, 87, 107, 110, 112, 113, 115-116
2-26	Mechanisms for seeking advice and raising concerns		82, 87
2-27	Compliance with laws and regulations		127-129
2-28	Membership associations		117
Stakeholder engagement			
2-29	Approach to stakeholder engagement		82, 88, 93, 94, 95, 96, 97, 112-115, 117, 42 - 47
2-30	Collective bargaining agreements		n/a
Disclosures on material topics			
3-1	Process to determine material topics	13.1.1	82, 83, 85
3-2	List of material topics		85, 92
3-3	Management of material topics	13.3.1, 13.4.1 13.5.1, 13.6.2	2, 3, 83, 86-92, 93, 94, 95, 96, 97-118, 42-47
Economic Performance 2016			
GRI 201:1	Direct economic value generated and distributed	13.22.2	80, 98, 120
GRI 201:2	Financial implications and other risks and opportunities due to climate change	13.2.2, 13.22.3	103
GRI 201:3	Defined benefit plan obligations and other retirement plans		n/a
GRI 201:4	Financial assistance received from government		80, 120
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		98%

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Disclosure number	Disclosure Title and Description	Sector standard	Page(s)/value
Indirect Economic Impacts 2016			
GRI 203:1	Infrastructure investments and services supported	13.22.3	2, 3, 90, 98-100,
GRI 203:2	Significant indirect economic impacts	13.22.4	110, 116
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		9
GRI 207:2	Tax governance, control, and risk management		42-47
GRI 207:3	Stakeholder engagement and management of concerns related to tax		No specific approach, same as other concerns
GRI 207:4	Country-by-country reporting		117
Materials 2016			
GRI 301:1	Materials used by weight or volume		80, 106, 120
GRI 301:2	Recycled input materials use		80, 108
GRI 301:3	Reclaimed products and their packaging materials		108
	Use of pesticides	13.6.2	105
Energy 2016			
GRI 302:1	Energy consumption within the organization		80,101, 123, 124, 125
GRI 302:2	Energy consumption outside of the organization		101, 123, 125
GRI 302:3	Energy intensity		90, 101,
GRI 302:4	Reduction of energy consumption		89, 100, 101,
GRI 302:5	Reductions in energy requirements of products and services		89, 100, 101
Water and Effluents 2018			
GRI 303:1	Interactions with water as a shared resource	13.7.2	107
GRI 303:2	Management of water discharge-related impacts	13.7.3	107
GRI 303:3	Water withdrawal	13.7.4	107
GRI 303:4	Water discharge	13.7.5	107
GRI 303:5	Water consumption	13.7.6	107
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	105
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	none
Animal welfare			
	Animal health and welfare standards	13.11.2	95, 40
Emissions 2016			
GRI 305:1	Direct (Scope 1) GHG emissions	13.1.2	80, 88-90, 95, 102, 104 , 120, 123, 124
GRI 305:2	Energy indirect (Scope 2) GHG emissions	13.1.3	102, 104 , 120, 124
GRI 305:3	Other indirect (Scope 3) GHG emissions	13.1.4	102, 104 , 120, 125, 126
GRI 305:4	GHG emissions intensity	13.1.5	102, 104, 120
GRI 305:5	Reduction of GHG emissions	13.1.6	89-90, 102, 104
GRI 305:6	Emissions of ozone-depleting substances (ODS)	13.1.7	102, 104
GRI 305:7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	13.1.8	115

ANNEX IX: GRI INDEX TABLE

Disclosure number	Disclosure Title and Description	Sector standard	Page(s)/value
Waste 2020			
GRI 306:1	Water discharge by quality and destination	13.8.2	107
GRI 306:2	Waste by type and disposal method	13.8.3	80, 108, 120
GRI 306:3	Significant spills	13.8.4	
GRI 306:4	Transport of hazardous waste	13.8.5	third party
GRI 306:5	Water bodies affected by water discharges and/or runoff	13.8.6	none
Environmental compliance			
GRI 307:1	Non-compliance with environmental laws and regulations		none
Supplier Environmental Assessment 2016			
GRI 308:1	New suppliers that were screened using environmental criteria		Limited to food ingredients,
GRI 308:2	Negative environmental impacts in the supply chain and actions taken		none
Employment 2016			
GRI 401:1	New employee hires and employees turnover		111
GRI 401:2	Benefits provided to full-time employees that are not provided to temporary or parttime employees		111
GRI 401:3	Parental leave		111
Food safety			
GRI13	Food loss and product recalls	13.10.2	110, 112
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	113
GRI 403:2	Hazard identification, risk assessment, and incident investigation	13.19.3	113
GRI 403:3	Occupational health services	13.19.4	113
GRI 403:4	Worker participation, consultation, and communication on occupational health and safety	13.19.5	113
GRI 403:5	Worker training on occupational health and safety	13.19.6	113
GRI 403:6	Promotion of worker health	13.19.7	87, 113
GRI 403:7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	13.19.8	113
GRI 403:8	Workers covered by an occupational health and safety management system	13.19.9	113 All
GRI 403:9	Work-related injuries	13.19.10	80, 113, 120
GRI 403:10	Work-related ill health	13.19.11	113
Training and Education 2016			
GRI 404:1	Average hours of training per year per employee		114
GRI 404:2	Programs for upgrading employee skills and transition assistance programs		114
GRI 404:3	Percentage of employees receiving regular performance and career development reviews		114
Diversity and Equal Opportunity 2016			
GRI 405:1	Diversity of governance bodies and employees	13.15.2	61-64, 111
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	
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
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	none
Security Practices 2016			
GRI 410:1	Security personnel trained in human rights policies or procedures		n/a

ANNEX IX: GRI INDEX TABLE

Disclosure number	Disclosure Title and Description	Sector standard	Page(s)/value
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	
	Seeking free, prior, and informed consent (FPIC) from indigenous peoples	13.14.4	
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		
Local Communities 2016			
GRI 413:1	Operations with local community engagement, impact assessments, and development programs	13.12.2	109
GRI 413:2	Operations with significant actual and potential negative impacts on local communities	13.12.3	n/a
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	
	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	
Supplier social assessment			
GRI 414:1	New suppliers that were screened using social criteria		Food ingredients
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	n/a
Customer Health and Safety 2016			
GRI 416:1	Assessment of the health and safety impacts of product and service categories		
GRI 416:2	Incidents of non-compliance concerning the health and safety impacts of products and services		none
Marketing and Labelling 2016			
GRI 417:1	Requirements for product and service information and labeling		119
GRI 417:2	Incidents of non-compliance concerning product and service information and labeling		None
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		none