



# AB AMBER GRID CONSOLIDATED MANAGEMENT REPORT 2024



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## Foreword by the Chair of the Board



Dear all,

Lithuania's energy sector is in an increasingly strong position on the path to transformation. The changes underway are laying a strong foundation for the country's economic development. Amber Grid has a key role to play in implementing Lithuania's energy vision. It ensures the reliability and security of the national gas transmission network and is leading the creation and development of the future energy infrastructure. Biomethane producers continue to be integrated into the grid, and the green hydrogen corridor is being rapidly developed with partners in Northern Europe and the Baltics. The company has already laid the foundations for the development of green energy, so it is crucial to keep up the momentum and to jointly explore new opportunities to strengthen the country's and region's energy security.

In 2024, Amber Grid's Board was reconstituted with two independent members from Denmark and Germany. It is encouraging that colleagues working and living in European countries are sharing their international experience and promoting the development of Lithuania's energy sector. Their contribution to a positive change in Amber Grid is highly appreciated. Together, we are striving for this company to successfully initiate new green energy-related activities while ensuring the smooth and efficient operation of the existing gas infrastructure, thus, strengthening Lithuania's energy security and independence. The aim of the entire Board is to help the company to organize its business in a way that adapts to the changing industrial environment, ensuring its leadership in the sector while maintaining long-term goals.

Last year, as part of the new energy group EPSO-G, Amber Grid developed an integrated strategy until 2035. We have to work and live in times when geopolitical tensions are increasing the pressure on energy security and supply chains. Security is therefore one of the key thrusts of the strategy for the ten years ahead, which focuses on uninterrupted energy transmission, while strengthening the physical and cyber protection of system facilities.

On the other hand, Lithuania's energy independence will only be secured when we become an energy-exporting country. The European hydrogen network is one of the key points for future development to enable significant green energy flows between northern and western Europe. Amber Grid's specialists have many years of experience in the development of large-scale energy infrastructure projects, so I am optimistic and believe that the company will work purposefully and successfully on the new energy projects, such as the planned development of the CO<sub>2</sub> network, the installation of the hydrogen corridor and the replacement of gas compressors with electric ones. As we look to future projects, it is necessary

to keep in mind the current situation. The company must continue to optimize the gas transmission infrastructure developed to date, both in terms of security and efficiency.

Transforming energy is not just about infrastructure change, but also about building and maintaining strong partnerships. Amber Grid strives to be a reliable partner in the market. And while there is a growth in this area, as evidenced by ongoing customer surveys, we will continue to improve the experience, be even faster, provide user-friendly tools and deploy business solutions that meet our customers' needs. We are committed not only to delivering services, but also to becoming an active partner to our customers, helping them to adapt to a changing environment and to take full advantage of modern energy.

I thank the people of Amber Grid for a successful past year and wish the company to move forward with confidence, to grow its new energy competences, to strengthen the Baltic energy industry and to create benefits for Lithuania in a rapidly changing energy sector.

Yours faithfully

**Paulius Butkus**

Chairman of the Board of Amber Grid

## CEO's Foreword



Dear colleagues, partners and customers,

In this Amber Grid management report, we provide you with a detailed picture of what we have accomplished over the past 2024, describing our operating principles, the values we are guided by, and disclosing information about the most important operational and financial indicators. Having been the head of this unique company for five years, I always draw attention in reports to the large amounts of energy transmitted by the gas transmission system we manage. In 2024 this number was lower, but still impressive, we transported 55 terawatt-hours of gas through the gas transmission network. Gas flows daily through the 2,300 kilometer gas pipeline installed in the territory of Lithuania, which is extremely necessary for Lithuania and neighboring countries. And since 2022, when we connected to Poland via the GIPL gas pipeline, we have been transporting gas to any European country that has purchased it. We see that natural gas remains a key resource in ensuring energy security and industrial needs, and the peak gas demand in Lithuania, reaching 120 GWh per day demonstrates the need for reliable and sufficient infrastructure.

Last year, the amount of gas transmitted through our infrastructure was slightly lower for obvious reasons – the Balticconnector gas pipeline between Finland and Estonia was still out of service for the first four months after it was intentionally damaged in the fall of 2023. In addition, in 2024, for the first time in history, the Klaipėda LNG terminal underwent a technical inspection, which caused the terminal to be shut down for more than a month. Despite these infrastructure challenges, gas consumers in the region were supplied on time and without disruption.

Assessing the daily changing geopolitical situation in the world, we first of all turn our attention to the security and reliability of the gas transmission system. The availability of energy resources and energy security ensure the sustainability of the state's development. Therefore, we constantly carry out technical inspection, maintenance and reconstruction of the system. In the integrated strategy approved in 2024, we have foreseen investments until 2035 that will need to be poured into the reconstruction and maintenance of the gas transmission network created so far. We plan that investments in the existing network will amount to about 200 million euros, and all investments in new energy, which we plan to develop in the activities of Amber Grid, will amount to more than 3 billion euros. For this, we have planned to allocate our own funds and attract external investments until 2035.

These ambitious goals would not be achieved alone. Therefore, I highly appreciate Amber Grid being part of the EPSO-G group of companies. Together we can do much more than one. Cooperation and synergy between the group's companies bring much more benefits than working in separate spheres.

During 2024, the company made particular progress in planning the implementation of the North-Baltic Hydrogen Corridor (NBHC) project. In the hydrogen project, we conducted a pre-feasibility study in 2024 and, together with five other partners - Finland, Estonia, Latvia, Poland and Germany, we began preparing a feasibility study that will lead us to the design stage of the hydrogen pipeline. We are pleased to have received CEF funding for the studies, so we are rapidly moving towards the implementation of this project, which is important for both the state and European energy. Also, last year another idea emerged and is already taking the form of a project – to create a CO<sub>2</sub> transportation system in Lithuania. This would be another step towards establishing new energy in our country and creating benefits for business development and society.

In 2024, two biogas producer systems were connected to the Amber Grid transmission network. Biomethane from two other biogas producing power plants that are not connected to the grid is transported to the pipeline by tankers. The result of 2024 is that around 130 GWh of biomethane was accepted into our system and the company issued guarantees of origin for this gas. We are working intensively with new customers - we plan to connect 6 biogas producers in 2025.

With Amber Grid increasingly focusing on sustainable operations, we have started to assess more sustainability indicators. The company aims to comply with the best sustainability management practices and principles, ensuring that sustainability aspects are integrated into strategic decisions and daily operations. Our sustainability report is prepared voluntarily, aiming to comply as closely as possible with European sustainability reporting standards.

Looking ahead to 2024, I would like to say #ThankYou to Amber Grid colleagues for your dedication, loyalty to the energy industry and professionalism. I also say #ThankYou to our customers, partners and shareholders for their trust and support. I know that 2025, which has already begun, will be full of new ideas and, at the same time, challenges, but by working together we will overcome them with courage and be even stronger!

Yours faithfully

**Nemunas Biknius**, Chief Executive Officer of Amber Grid

# 1. OVERVIEW

The Consolidated Management Report covers the reporting period for the year 2024.

## 1.1. BASIC DETAILS

Company name	Amber Grid AB (hereinafter "Amber Grid" or the "Company")
Legal form	Public limited liability company
Date of registration and name of register	25 June 2013, Register of Legal Entities
Legal entity code	303090867
Manager of the Register of Legal Entities	State Enterprise Centre of Registers
Issued capital	EUR 51,730,929.06
LEI code	097900BGMP0000061061
Registered office address	Laisvės ave. 10, LT-04215 Vilnius, Lithuania
Phone	+370 5 236 0855
Email address	info@ambergrid.lt
Website	www.ambergrid.lt

Amber Grid is the gas transmission system operator in Lithuania, which ensures reliable and safe transporting of natural gas to its consumers through high pressure gas pipelines. The Company is responsible for the operation, maintenance and development of the Lithuanian gas transmission infrastructure consisting of a network of nearly 2,300 km-long gas pipelines and two gas compressor stations. A well-developed gas transmission infrastructure in Lithuania is convenient for transporting large volumes of energy to Poland, the Baltic States and Finland.

The Company has implemented two strategic energy projects, i.e. GIPL and ELLI, which interconnected the gas transmission systems of Poland and Lithuania, and fostered integration of the Baltic and Finnish gas markets into the pan-European gas trading market.

As part of its decarbonisation goals, Amber Grid takes active measures to look into innovative technological and market solutions and to facilitate adaptation of the Lithuanian gas transmission system to transporting green gas, including hydrogen. Amber Grid also administers the National Register of Guarantees of Origin for gas produced from renewable energy sources (RES).

Amber Grid is a part of the EPSO-G UAB group of companies (hereinafter "EPSO-G" or the "EPSO-G Group"). EPSO-G is a state-owned group of energy transmission and exchange companies, and EPSO-G UAB acts as a holding company of the EPSO-G Group, with its shareholder's rights and obligations implemented by the Ministry of Energy of the Republic of Lithuania. For more information about EPSO-G UAB and the EPSO-G Group, see [www.epsog.lt](http://www.epsog.lt).

Amber Grid holds 34% of shares in the GET Baltic UAB gas exchange. GET Baltic, a part of the EEX gas exchange, undertakes and develops gas exchange trade in Lithuania, Latvia, Estonia and Finland. For more information about GET Baltic, see [www.getbaltic.com](http://www.getbaltic.com).

The Company has no branches and representative offices.



## VISION

An environmentally friendly, innovative energy company in the integrated European gas network.



## MISSION

To develop the system that enables competition and the use of climate-friendly energy.

### 1.2. PERFORMANCE INDICATORS

The Company's performance indicators in 2022–2024

	2024	2023	2022
Quantity of gas transported to domestic exit point and used for own needs, GWh	16,947	14,913	15,576
Quantity of gas transported to adjacent transmission systems <sup>1</sup> , GWh	38,361	46,326	48,213
Number of systems users at the end of the period	88	127	122
Length of main gas pipelines, km	2,288	2,285	2,285
Gas distribution stations and gas metering stations (number of units)	68	68	68
Number of employees at the end of the period	345	327	327

### 1.3. SIGNIFICANT EVENTS

01

January

**On 3<sup>rd</sup> January**, the European Gas Transmission System Operators Gasgrid Finland (Finland), Elering (Estonia), Conexus Baltic Grid (Latvia), Amber Grid (Lithuania), GAZ-SYSTEM (Poland) and ONTRAS (Germany) participating in the international project for the creation of the Nordic-Baltic Hydrogen Corridor (NBHC) signed a contract on the pre-feasibility study on the

<sup>1</sup> The transmission systems in Latvia, Poland and the Kaliningrad Region



green hydrogen corridor. AFRY Management Consulting, the winner of the tender, will analyse the conditions for the development of cross-border hydrogen infrastructure from Finland, through the Baltic countries and Poland to Germany, as well as green hydrogen trends in the region. The study, which will provide a comprehensive, fact-based framework to allow the optimal decisions to be made, is scheduled to be prepared in June 2024.

**On 26<sup>th</sup> of January**, the ELLI project, a joint partnership between Amber Grid and Latvian gas transmission and storage system operator Conexus Baltic Grid, has been officially completed. The project increases the interconnection capacity in both directions, strengthening the security of natural gas supply in the region. The ELLI project was included in the BEMIP gas priority corridor in the list of projects of common interest adopted by the European Commission, and co-financed by the European Union.

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**02**

February

**On 1<sup>st</sup> of February**, A new electronic system for the registry of guarantees of origin of green gas, administered by Amber Grid, was launched. It provides green electricity producers, users and other market participants with a safe, reliable and easy access to data on the guarantees of origin. The system is accessible via Certigy platform created by a Czech company Unicorn Systems. The Guarantee of Origin Register allows market participants to create their own accounts, easily manage the guarantee of origin processes, monitor real-time guarantee of origin balances, transaction statistics, etc.

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**04**

April

**On 11<sup>th</sup> of April**, Amber Grid filed a lawsuit against Alvora, the contractor for the construction of the GIPL gas pipeline, for damages for deficient performance of the GIPL construction contract. The damages amount to EUR 10.6 million. These funds are necessary to remedy the defects that occurred during the contracting of the project, including the replacement of parts of the pipeline and related technological processes.

**On 28<sup>th</sup> of April**, the Nordic-Baltic Hydrogen Corridor was granted the status of the project of common interest (PCI) by the European Commission.

**On 30<sup>th</sup> of April**, Amber Grid's General Meeting of Shareholders elected new members of the Company's Board. Peter Loof Helth and Alexander Feindt were elected as independent members of the Board for the remaining term of office. Darius Kašauskas was elected and Paulius Butkus was re-elected as members of the Board, nominated by the parent company EPSO-G. As well as, Karolis Švaikauskas was re-elected as a civil servant member.

**On 30<sup>th</sup> of April**, the ordinary General Meeting of Shareholders of Amber Grid resolved to distribute the Company's profit for 2023 and to grant a dividend of EUR 0.1131 per share. In total, EUR 13.4 million in dividends was paid.

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**05**

May

**On 10<sup>th</sup> of May**, Paulius Butkus, a member of the Board of Amber Grid and Head of Development and Innovation at EPSO-G Group, was elected as Chairman of the Board at the meeting of the Board of Amber Grid. At the EPSO-G Group of companies, P. Butkus is responsible for strategy, innovation development, data analytics and management, and development of other activities.

**On 21<sup>st</sup> of May**, Amber Grid set gas transmission service prices for 2025. The prices are based on the maximum permissible regulated revenues approved by the National Energy Regulatory



06

June

Council (NERC). The average price for transmission services for Lithuanian consumers in 2025 will increase by 7.4% to EUR 1.60/MWh compared to the 2023 price for Lithuanian consumers (1.39 EUR/MWh). The gas transmission service price makes up only a few percent of the final price paid by consumers for gas.

**On 6<sup>th</sup> of June.** As part of the planned integration of GET Baltic into EEX, a further step will be taken to transfer gas trading in the Baltic states and Finland to the EEX platform. It is planned that by the end of first quarter of 2025, GET Baltic's customers will trade gas on EEX's trading platform. While GET Baltic team will remain to serve the local customer base and further develop the product offering in line with market needs.

**On 14<sup>th</sup> of June,** the Company received NERC's resolution confirming the investigation report on the accident in the main gas pipeline Panevėžys–Riga of Amber Grid, located at Valakėliai, Pasvalys district on 13 January 2023. The investigation found that the principal cause of the accident was a poor quality welding joint from the construction period.

**On 17<sup>th</sup> of June,** nine gas transmission system operators (TSOs) in the countries around the Baltic Sea have signed a Memorandum of Understanding (MoU) which aims to coordinate and facilitate hydrogen infrastructure and also to foster hydrogen market development in the Baltic Sea region. The MoU establishes and implements the cooperation between TSOs. The parties of the MoU are Polish GAZ-SYSTEM, Estonian Elering, Danish Energinet, Finnish Gasgrid Vetyverkot, Lithuanian Amber Grid, Swedish Nordion Energi, German GASCADE Gastransport, Latvian Conexus Baltic Grid and German ONTRAS Gastransport.

**On 18<sup>th</sup> of June,** Amber Grid's General Meeting of Shareholders approved provision of aid to Ukraine's energy sector. Amber Grid will send a humanitarian aid package, consisting of five generators and ten gas pipeline reinforcement couplings, to Ukraine's energy sector. The total value of the humanitarian aid is almost EUR 108 thousand.

**On 28<sup>th</sup> of June,** the NBHC study has been completed. It identifies a possible trajectory for a hydrogen pipeline through the six Member States of the project, the preliminary technical characteristics of the pipeline, and the hydrogen compression capacities for different time periods up to 2050. The project partners are continuing their activities and preparing the documentation for the CEF application, which will request support to carry out in-depth feasibility studies and pre-project solutions in each of the participating countries. The deadline for the application is October 2024.

07

July

**On 1<sup>st</sup> of July,** Amber Grid submitted a 10-year network development plan for the gas transmission system operator to NERC following a public consultation in June. Key elements of the plan include: upgrading existing gas infrastructure, ensuring security, increasing resilience to crisis situations, developing alternative energy sources, integrating renewable energy, developing a hydrogen transport network, synergies between the gas and electricity sectors, and reducing greenhouse gas (GHG) emissions.

**On 26<sup>th</sup> of July,** NERC set the weighted average cost of capital (WACC) to be applied to Amber Grid from 2025. The WACC will increase from 5.04 to 5.63%.

08

August

**On 5<sup>th</sup> of August,** the EU legislative package, approved on 13 June 2024, to decarbonise the EU gas market by facilitating the uptake of renewable and low carbon gases, including hydrogen, while ensuring security of supply and affordability of energy for all citizens in the

EU, was adopted (Regulation (EU) 2024/1789 of the European Parliament and of the Council of 13 June 2024 on the internal markets for renewable gas, natural gas and hydrogen and Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen).

**On 4<sup>th</sup> of August**, on 13 June 2024, Regulation was adopted on methane emission reduction in the energy sector laying down rules on the accurate measurement, quantification, monitoring, data reporting and verification of methane emissions in the EU energy sector, as well as on the reduction of methane emissions, including leak detection and repair surveys, repair obligations and restrictions on venting and flaring, and on the means to ensure transparency of methane emission reporting (Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector).

**On 13<sup>th</sup> of August**, Amber Grid received the notification from the National Energy Regulatory Council (NERC) regarding the sanctioning process initiated against Amber Grid by NERC for deficiencies identified in the inspection report on the GIPL construction.

09

September

**On 9<sup>th</sup> of September**, operators of the Ontras gas transmission system of Lithuania, Finland, Estonia, Latvia, Poland and Germany successfully completed the preliminary feasibility study of the Nordic Baltic Hydrogen Corridor (NBHC). The significant study, that was started in January 2024, examines the main conditions for the development of the NBHC project. The project aims to create opportunities for the transportation of green hydrogen between the six countries.

10

October

**In October**, a second biomethane injection point in Lithuania become operational, connecting a biomethane plant owned by the Agrokoncernas group of companies. Green biogas produced from Agrokoncernas' agricultural raw materials is delivered through the main gas pipelines, and the technical intake capacity will allow the transport of more than 21 gigawatt hours (GWh) of biomethane every year.

11

November

**On 18<sup>th</sup> of November**, the General Meeting of Shareholders of Amber Grid approved the Company's proposal to transfer 55 vehicles and 4 generators to Ukraine. The total value of the humanitarian aid is almost EUR 62 thousand. Part of the aid was transferred in autumn 2024, another is planned to be delivered in 2025.

**On 18<sup>th</sup> of November**, the NBHC project partners applied for funding under the Connecting Europe Facility (CEF).

**On 22<sup>th</sup> of November**, NERC imposed a EUR 81 thousand fine on Amber Grid for deficiencies identified in the construction inspection report.

**On 29<sup>th</sup> of November**, Amber Grid received NERC's for a ten-year country's gas transmission network development plan. The plan envisages investments in the development of the gas transmission system up to 2033 in order to achieve the strategic objectives of the European Union and Lithuania in the gas sector. The gas transmission network is expected to require investments of around €201 million over the next decade, of which, the investments over the next five years will amount to around EUR 138 million.

## 12 December

**On 27<sup>th</sup> of December**, NERC approved the security component, with the effect from 1 January 2025, which for the first time is set negative (-25.55 EUR/MWh/day/year). Acting as the administrator of the LNGT funds and in accordance with the description of the procedure for the administration of the LNGT funds, as amended by NERC, the Company will have to repay the LNGT funds to their payers (transmission system users) in 2025.

**On 11<sup>th</sup> of December**, Amber Grid signed the design, equipment supply and contracting work contract with MT Group, the energy infrastructure project development company, for the reconstruction of the Elektrėnai gas distribution station. The value of the contracting work is EUR 2.6 million. The reconstruction of the station is expected to be completed by mid-2026.

**On 12<sup>th</sup> of December**, the European Gas Transmission System Operators (TSOs) of Finland, Estonia, Latvia, Lithuania, Poland and Germany's ONTRAS announced the start of the feasibility study phase for the Nordic-Baltic Hydrogen Corridor (NBHC). These studies will focus on various crucial aspects including pipeline routing, compressor stations planning, financial and economic analysis, environmental and safety permitting issues as well as investigations on an implementation timeline. These studies are expected to run until mid-2026.

**On 16<sup>th</sup> of December**, NERC published public consultation on the reference price methodology for determining the tariffs of services provided by Amber Grid, effective for 2026 and subsequent periods. Some of the envisaged pricing amendments are also driven by the provisions of the Regulation on Decarbonisation, adopted in mid-2024. This public consultation closes on 14 February 2025.

## EVENTS AFTER THE REPORTING PERIOD

13 January 2025. Approaching the end of the 5-year term of the current CEO of Amber Grid and following the decision of the Board, the selection of candidates for the position of the Company's CEO was announced.

On 15 January 2025, the Board of Amber Grid approved the Company's Strategy 2035, which foresees that the Company's investments will amount to EUR 3.3 billion over the next ten years. The largest amount of the investment will be in new infrastructure for the development of renewable energy, such as a green hydrogen corridor. It will also include the development of the carbon dioxide (CO<sub>2</sub>) transportation ecosystem, upgrading the existing gas transmission network and making it more resilient. The investments will be financed through a mix of financing sources, with the bulk of the funding coming from the European Union and international funds, and optimising the structure of debt and equity capital of the Company.

On 17<sup>th</sup> January 2025, in implementing NERC obligation to inspect safety of the GIPL gas interconnection, the experts confirmed that the GIPL gas pipeline is safe to operate. GIPL's security check was carried out in November - December, 2024 by JSC Inspecta Latvia, which won the public tender.

On 4 February 2025, the European Commission has announced to allocate co-financing from the Connecting Europe Facility (CEF) to cross-border energy infrastructure projects under the Trans-European Networks for Energy (TEN-E) framework. Nordic Baltic Hydrogen Corridor (NBHC) stands out with a EUR 6.8 million grant to support its feasibility study phase.

## 1.4.MEMBERSHIP

The Company has membership in the following organisations: European Network of Transmission System Operators for Gas ENTSG ([www.entsg.eu](http://www.entsg.eu)), Association Polish and Lithuanian Chamber of Commerce, National Lithuanian Energy Association, Lithuanian Liquefied Natural Gas (LNG) Platform, EASEE-gas Association, European Renewable Gas Registry (ERGAr), European Clean Hydrogen Alliance, Lithuanian Hydrogen Platform, Lithuanian Hydrogen Energy Association, association INFOBALT, European Hydrogen Backbone initiative:



**ENTSG** was established in accordance with Regulation No. 715/2009 of the European Parliament and of the Council, as an organisation facilitating cooperation between the gas transmission system operators at the European Community level.



**Association Polish and Lithuanian Chamber of Commerce** is a bilateral organisation for economic cooperation between Lithuania and Poland. The Association collects information for its members about the emerging business opportunities in both countries, cooperates with organisations and individuals ensuring business management and development, and organises conferences and events on various subjects.



**The National Lithuanian Energy Association** develops a common position of the energy sector, represents the interests of its members with the state authorities, public and international organisations, seeks to ensure development and improvement of electrical energy and gas supply conditions for the domestic consumers, and promotion of progress in the economic and technical energy sector.

### LNG

**The Lithuanian Liquefied Natural Gas (LNG) Platform** partners seek to promote the use of LNG as a new, cleaner and less noisy fuel in the sectors of transport, industry and others, in order to build a single information and operation platform for all potential LNG market participants.



**EASEE-gas association** was set up to develop and promote business practices to simplify and streamline physical transporting of gas and trading across Europe.



The main purpose of **ERGAr Association** is to promote, develop and maintain a trustworthy system that meets the EU regulatory requirements and enables cross-border trade in certificates of origin for renewable gases via the European natural gas network while preventing double sale and double counting of renewable gases.

### ECH2A

Amber Grid is a member of the **European Clean Hydrogen Alliance**, which aims to assist with the implementation of the goals of the EU Hydrogen Strategy in order to support the scaling up of renewable hydrogen value chain across Europe.



## LHP

Amber Grid is a member of the **Lithuanian Hydrogen Platform** set up under the Ministry of Energy. The platform aims to help achieve the goals of the EU Hydrogen Strategy to create a full-fledged and affordable renewable hydrogen value chain. It also promotes the use of hydrogen as a clean fuel, energy source and carrier in the sectors of transport, industry and others, as well as promotes engagement of local businesses and organisations in the activities of the hydrogen value chain as they develop and manufacture products and provide services for the domestic and external needs.



Amber Grid is a member of the **Lithuanian Hydrogen Energy Association**. The Association joins the local scholars and business organisations and participates in the formation of national, regional and EU policy and goals, including the preparation of strategy and hydrogen development action plan during the legislative process of legal acts regulating the hydrogen energy sector in Lithuania; also contributes to proposition of legislative initiatives that would promote local development of hydrogen technology, thereby ensuring cross-sector hydrogen integration and implementation of related technologies; and promotes joined initiatives in research & development activities, innovations, etc.



Amber Grid is a member of **association INFOBALT**. INFOBALT is the information, communication and technology sector association aiming to create the best conditions for application of technologies, market expansion and export. In cooperation with partners of this association Amber Grid develops a think tank cooperation platform of the energy, science and IT field EnergyTech, which brings together energy companies, scientific community and the most advanced and experienced IT and technology companies. The EnergyTech platform develops in three directions: the bank of innovative ideas and the centre of exportable competences; the area for like-minded professionals for an effective dialogue to promote innovations in the energy sector; the leader bringing together the local, regional and international community to ensure a sustainable energy of the future.



Amber Grid is the member of the European hydrogen development initiative **European Hydrogen Backbone, which operates as an independent working group within the Gas Infrastructure Europe association**. The members of the initiative devote their efforts to the creation of the vision of the hydrogen transportation infrastructure across Europe and contribute to the development of the green hydrogen market with their expert insights.

## AIB

Amber Grid is the member of **AIB**, the organization uniting bodies issuing guarantees of origin in Europe. AIB creates and develops a standardized system for the exchange of guarantees of origin of energy among the bodies issuing guarantees of origin of the European Union and the member states of the European Economic Area to ensure a reliable, transparent and economical cross-border exchange of guarantees of origin of energy.



In 2023, Amber Grid joined **Oil & Gas Methane Partnership 2.0 (OGMP 2.0)**. This is the United Nations Environment Programme's (UNEP) flagship programme for oil and gas reporting and environmental impact reduction. OGMP 2.0 is the only comprehensive, measurement-based reporting framework for industry that improves the accuracy and transparency of methane emissions reporting. OGMP 2.0 directly engages oil and gas

companies that have the power to address methane emissions. It helps them to better understand their emission profiles and, most importantly, to use this knowledge to reduce emissions in a cost-effective way, focusing their efforts on the largest emission sources. In 2024, for the second year in a row, Amber Grid was awarded the Gold Standard Pathway by OGMP 2.0.

## CO<sub>2</sub>

In October 2024, the Ministry of Energy of the Republic of Lithuania, together with other ministries, industrial companies, research institutions and universities, signed an agreement to establish the CCS/CCUS platform. Amber Grid is one of the members of the platform. The Platform was created to strengthen dialogue and cooperation on critical issues related to carbon capture, utilisation and storage (CCS/CCUS) technologies in Lithuania. The Platform will aim to promote the engagement of Lithuanian companies, the public sector, and research institutions and universities in the activities of the carbon capture, transport, storage and utilisation sector's value chain, developing and manufacturing products and services for the needs of Lithuania and other countries.

## 2. BUSINESS ENVIRONMENT

### 2.1. BUSINESS ENVIRONMENT AND FORECAST

In pursuit of full energy independence from the Russian gas, in response to Russia's blackmailing of Europe over energy and the outbreak of war in Ukraine, Lithuania has completely discontinued imports of Russian gas: the Lithuanian gas transmission system has been operating without imported Russian gas since 1 April 2022. Lithuania's entire gas demand is met through Klaipėda Liquefied Natural Gas (LNG) terminal, and Santaka entry point for gas from Poland, and Kiemėnai entry point for gas from Latvia.

Gas is continued to be transported to the Kaliningrad Region by transit through Lithuania, however, in an unusual technical mode, which ensures transmission of gas only to the extent necessary for the transit.

During 2024, 29.2 terawatt hours (TWh) of gas was supplied to Lithuania, excluding gas transported to the Kaliningrad Region. This was by 21.4% less than 37.7 TWh of gas transported to Lithuania in 2023. The pipeline connection to Latvia transported 9.9 TWh of gas for the needs of other Baltic States and Finland, which is by 49.4% less than 19.1 TWh transported towards the Baltic States in 2023. The pipeline connection to Poland transported 2.5 TWh of gas, which is by 21.3% less than 3.2 TWh transported towards Poland in 2023.

Gas consumption in Lithuania in 2024 increased. In total 16.9 TWh of gas was consumed in Lithuania during 2024, which was 13.6% more compared to 2023, when the demand was 14.9 TWh of gas.

Klaipėda LNG terminal continues to be the most important source of gas supply for Lithuania and the Baltic States.

During 2024, 23.9 TWh of gas or 80.6% was supplied from the terminal, 4.1 TWh or 14% – from Latvia, 1.5 TWh or 5% – from Poland, and 0.1 TWh from biogas producers, or 0.4% of total gas input. Klaipėda LNG terminal capacity is fully booked until 2033, i.e. 33 TWh of capacity will be allocated to the terminal's customers each year.

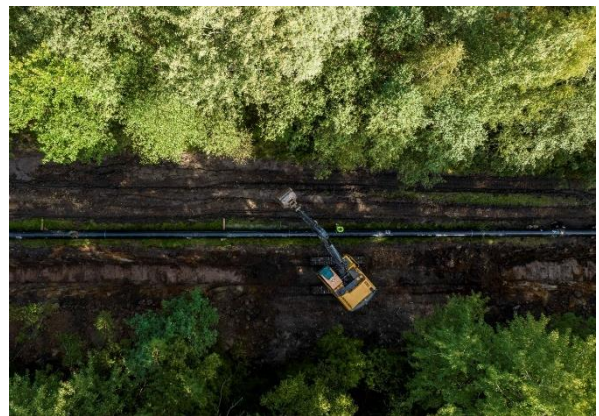
From end-2022, biomethane produced in EU countries meeting sustainability criteria has been imported to Lithuania. Guarantees of origin recognised in Lithuania were issued for this biomethane. In 2023, a total of 40 GWh of biomethane was imported to Lithuania.

The guarantees of origin were also issued for the biomethane which been produced in Lithuania since the summer of 2023. By the end of 2023, 47 GWh of biomethane had been produced in Lithuania and injected into the Amber Grid system, and almost 130 GWh during 2024.

In 2024, two biogas producer systems were connected to the Company's transmission network. From two more biogas plants, which are not connected to the network, biomethane is transported to the pipeline by tankers. Six biogas producers are planned to be connected in 2025.

In the context of fight against climate change, adoption of more stringent requirements of the EU environmental policy, promotion and expansion of use of renewable energy sources, and more efficient use of energy – all these factors will contribute to lower consumption of natural gas for energy purposes and for the needs of the industry sector in Lithuania. However, due to the limited number of alternatives in some of the industries and segments of the transport sector, and due to competitiveness while rendering balancing, reservation services in the heat and electricity sectors, natural gas will play an important role as a transitional source of energy in pursuance of pan-European and national goals to reduce greenhouse gas emissions. At the same time, gas transported via the pipelines will change with an increasing share of green gas: biomethane and gas generated through the process of conversion of green electricity – green hydrogen and synthetic methane.

On 28 June 2024, the Parliament (Seimas) of the Republic of Lithuania approved the resolution on the approval of the National Climate Change Management Agenda regarding the National Energy Independence Strategy. In its NENS, Lithuania has set ambitious goals that will contribute significantly to the implementation of the United Nations' 2030 Agenda for Sustainable Development, and implementation of the goals set forth in the Paris Agreement, and the goals set forth in the EU's 2030 Climate and Energy Framework. They aim to increase the share of renewable energy sources (including biomethane and other RES-produced gases) in the country's total final energy consumption: The Law on Energy from Renewable Sources of the Republic of Lithuania sets a target of at least 55% of renewable energy sources in the country's total final energy consumption by 2030, with a further increase in this share.



In Lithuania, similarly as in the EU, it is expected that natural gas will remain an important energy source at the time of transition to a low-carbon economy. The domestic annual demand for natural gas will reach around 17 TWh by 2030, of which more than 50% will represent demand for gas as a raw material in the fertilizer production industry.

### **There is an urgency to transform Europe's energy system:**

In response to the difficulties and disruptions in the global energy market caused by Russia's invasion of Ukraine, the European Commission (EC) has launched the RePowerEU plan in 2022 to gradually phase out Russian fossil fuel imports.

**As foreseen in the REPowerEU Plan, the objectives will be pursued by:**

- energy savings,
- diversification of energy supplies,
- accelerated roll-out of renewable energy

The gas sector and networks can effectively contribute to the creation and development of the European hydrogen economy as envisaged in the EU Hydrogen Strategy. The European Commission envisages two phases – the transition period until 2030 and the period until the hydrogen market is established in 2050.

On 13 June 2024, the hydrogen and gas decarbonisation package were adopted (hereinafter the “Gas package”). The package comprises a Regulation and a Directive. The aim of the initiative of the proposals stipulated in the Directive and the Regulation is to facilitate the integration of renewable and low-carbon gases, particularly hydrogen and biomethane, into the energy system. The objective is a 55% reduction in methane emissions compared to 1990 by 2030 and the achievement of the climate-neutral economy in the EU by 2050.

One of the main objectives of the Gas Package is to create the hydrogen market, develop a proper environment for investments and facilitate the development of the related infrastructure and trade with the third parties. Firstly, the access to the hydrogen infrastructure, segregation of the hydrogen production and transport activities and setting the tariffs will be governed by the market rules.

Geopolitical circumstances and rise in energy prices caused a stronger focus on the importance of energy security, particularly at the time of volatile global markets. The European Commission has offered to improve resilience of the gas system and strengthen the existing supply security provisions. In case of shortage, none of the households in the European Union will be left without help, and the international automatic solidarity will be enhanced through new pre-agreed measures and revisions regarding control and compensations in the internal energy market. The Gas Package expands the current rules to ensure their application to renewable and low-carbon gases, and new provisions are stipulated to address the arising cyber security risk.

On 13 June 2024, the long-awaited EU regulation on the reduction of methane emissions in the energy sector was adopted and officially entered into force on 5<sup>th</sup> August. The requirements in this regulation aim to increase the transparency of imports of fossil energy (e.g. natural gas, oil and coal) into the EU, promote the wider application of measures to reduce methane emissions in the energy sector, and harmonize comprehensive standards for the measurement, reporting and verification (MRV) of methane emissions and guidelines. The requirements of this Regulation will have a great impact on the organization of the Company’s activities.





## 2.2. REGULATORY ENVIRONMENT

A new regulatory period of 5 years started in 2024. Accordingly, for the new regulatory period, the amended (2023) provisions of the Methodology for Setting Income and Prices of State Regulated Natural Gas Transmission Activities and the Methodology for Setting the Rate of Return on Investment come into full force.

In December 2024, NERC published public consultation on the reference price methodology, effective for 2026 and subsequent tariff periods. Some of the envisaged pricing amendments are also driven by the provisions of the Regulation on Decarbonisation, adopted in mid-2024. The public consultation closes on 14 February 2025. It is expected that, in H1 2025, NERC will amend the Methodology for Determining Revenue From and Prices for Regulated Natural Gas Transmission Activities.

## 2.3. INFORMATION ON ACTIVITIES OF GET BALTIC IN 2024, IN WHICH AMBER GRID HOLDS SHARES

Company name	GET Baltic UAB (hereinafter "GET Baltic")
Legal form	Private limited company
Date of registration and name of register	13 September 2012, Register of Legal Entities
Legal entity code	302861178
Manager of the Register of Legal Entities	State Enterprise Centre of Registers
Issued capital	EUR 580,450.00
Registered office address	Geležinio Vilko st. 18A, LT-08104 Vilnius, Lithuania
Phone	+370 5 36 0000
Email address	info@getbaltic.com
Website	www.getbaltic.com

GET Baltic, the gas exchange owned by the European Energy Exchange (EEX) and the Lithuanian gas transmission system operator Amber Grid, is a licensed natural gas market operator with Registered Reporting Market Operator (RRM) status granted by the ACER. The company operates the electronic trading system for short-term and long-term (one-month) natural gas products with physical delivery on virtual trading venues in Lithuania, Latvia, Estonia and Finland. By developing tailor-made solutions for natural gas trading, GET Baltic aims to increase the liquidity, competitiveness and transparency of the wholesale natural gas market in the Baltic States and Finland.



To ensure optimal use of the potential of the opening of the European gas market and to provide the opportunity to offer customers of the regional gas exchange GET Baltic the cutting-edge gas trading solutions, the Company's sole shareholder announced the selection of the strategic partner for

the GET Baltic exchange early in 2022. In 2023, the EEX exchange was selected as GET Baltic's strategic partner following the conclusion of the international public tender. In the same year, Amber Grid and EEX have officially signed an agreement under which EEX will acquire a 66% stake in GET Baltic. GET Baltic, the

gas exchange operating in three Baltic countries and Finland, thus became part of the EEX Group. Amber Grid continues to hold the remaining 34% of shares.

As part of its transformation, GET Baltic updated its logo and visual identity in February 2024. The move reflects GE's close relationship with the EEX Group companies. At the same time, it has strengthened ties with the pan-European gas markets where EEX already operates. This has revealed new potential and opened a new path for the joint development of the Baltic and Finnish gas markets. The renewed corporate brand maintains the identity of GET Baltic and at the same time fits in the context of the EEX Group as a whole.

Important to mention that aiming to implement the client-focused strategy of the organisation, fulfil client expectations as well as improve the quality of products and service, the client satisfaction survey was conducted by the Company from September to October. The survey included questions to the clients of GET Baltic on their experience and evaluation relating to the scope, quality of products, service, and employees as a knowledge and competence centre. The client satisfaction survey results showed that the clients of GET Baltic consider the Company to be a stable entity that complies with the high standard of the market services.

Throughout the year, the Company paid special attention to meeting customer needs and expectations. On 11 December 2024, GET Baltic, in cooperation with EEX, organised event "EEX and GET Baltic Trader workshop and Onboarding in Vilnius". The event brought together market players from the Baltics and Finland. Participants actively exchanged ideas and expectations on the opportunities for the integration of the Baltic-Finnish gas markets into EEX, which were presented during the workshop by experts from GET Baltic, EEX and ECC. This is an important step in building relationships and fostering the region's active and growing international community.

In the near future, GET Baltic will continue to drive the work forward, will continue to improve the quality of its services, and will meet market participants' and shareholders' expectations regarding the ambition to strengthen the Baltic and Finnish gas markets and foster integration into the pan-European gas trading markets. Together with the EEX Group, the aim will be to add natural gas products for Baltic-Finnish markets to the EEX trading platform by 2025. In addition, EEX will enable location spread trading between these markets and selected pan-European gas markets, which are already available at EEX. It should be noted that ECC will assume the clearing and settlement for all transactions in natural gas products. The cross-margining effect will allow for efficiency improvement and significant capital savings. Following the market integration into the EEX platform, within EEX Group, GET Baltic will remain the key centre of competence for the further development of gas markets in the region and ensure close cooperation with customers on site.

#### **Gas Exchange GET Baltic performance in 2024:**

- The trade turnover totalled 8.4 TWh, which is less by 8% compared to 2023 (9 TWh).
- Annual gas consumption in the Baltic-Finland region grew by 10% to 43.5 TWh compared to 2023, while the volume traded on the GET Baltic's exchange accounted for 19% of the region's total consumption.
- In 2024, the volume of gas traded through cross-border transactions amounted to 1.4 TWh, or 33% less than last year (2023: 2.1 GWh), due to the Balticconnector, which was out of service until the end of April of 2024;
- 44% of the total traded volume was purchased in Lithuania (3,735 GWh), 30% in the common Latvian-Estonian market area (2,493 GWh) and 26% in Finland (2,144 GWh);
- In total, 31,599 transactions were made on the exchange, which is slightly less than in 2023 (32,213 transactions)
- 78 participants placed orders on the exchange. There were 70 participants actively placing orders throughout 2023.

- At the end of 2024, there were a total of 110 registered participants on the exchange: 72 on the Lithuanian trading floor, 47 on the joint Latvia-Estonian trading floor and 41 in Finland.
- The cheapest transaction was recorded in February at EUR 5.00/MWh and the most expensive – in January at EUR 100.00/MWh.
- In June 2024, 10 new participants from Lithuania, Latvia, Estonia, Denmark, Poland, Austria and the United Kingdom registered. The active registration of participants was driven by the consistent development of the exchange's operations alongside other regional infrastructure.

**110**  
Exchange participants

**78**  
Active exchange participants

**8,372 GWh**  
Trade turnover

**31,599**  
Concluded transactions



GET Baltic performance in 2024

Trade floor	Number of Exchange participants	Purchase turnover, GWh	Sale turnover, GWh
Finland	41	2,145	2,194
Latvia-Estonia	47	2,493	2,930
Lithuania	72	3,734	3,248

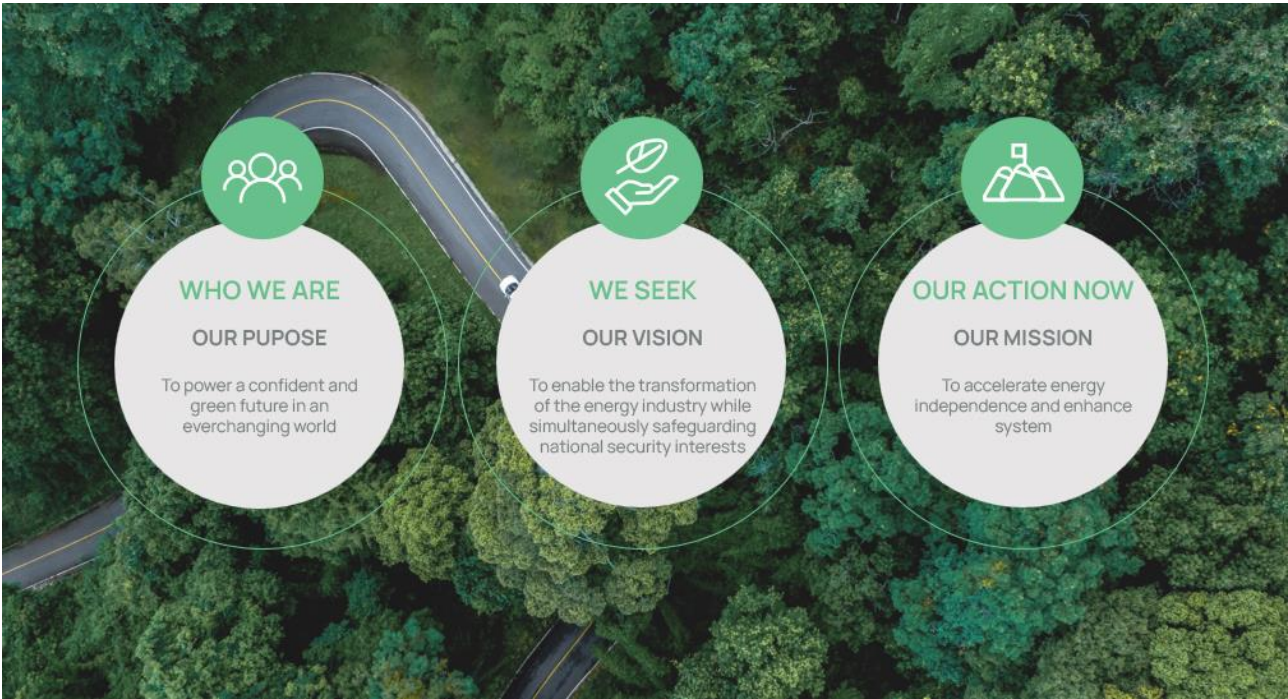
## 3. STRATEGY

### 3.1 VISION, MISSION, OBLIGATIONS AND PRIORITIES

In 2024, the Company continued to implement the updated long-term Amber Grid's Strategy by 2030.

The strategy updating process was launched at the beginning of 2024 at EPSO-G Group level. An updated Company's Strategy by 2035 was approved at the beginning of 2025. The updated Amber Grid's Strategy, together with the companies of the EPSO-G Group, highlights the Group's common mission - to accelerate energy independence and increase system reliability, and its vision - to enable green transformation, while ensuring the interests of energy and national security. To achieve objectives, the main directions have been outlined: to build the infrastructure of future, to ensure reliability and security, and to be reliable strategic partner. To deliver strategic changes and objectives, we will rely on a range of empowerment tools: financing, innovation and digitalisation, partnerships, asset development and management, improving supply chains and procurement. In this journey of change, Amber Grid sees itself as a trusted partner, building the hydrogen network, the carbon ecosystem, continuing to actively develop green gas connections to the transmission network, developing markets and strengthening relationships with existing and future customers.

Our purpose, vision and mission



Our commitments and lines of business

**Driver of tomorrow's infrastructure**

**1** We see the transformation of the energy sector as a **fundamental** change. Our goal is to **provide the infrastructure** upon which the **net-zero energy system** will be based.

**Provider of security and reliability**

**2** We aim to **enhance security and reliability** within and beyond the energy sector, strengthening **national and regional security**. Our work is essential for a reliable future.

**Vital and skilled strategic partner**

**3** **Energy transition** requires a systemic and **close cooperation** of various industry peers, investors and governments. Our goal is to **be a vital partner** in developing low-carbon infrastructure and markets.





**Below is an overview of the implementation of the Company's 2030 Strategy for 2024.**

The main objective set in the Company's strategy to 2030 is to work together on the way of the Lithuanian energy system's transformation towards climate-neutral economy. The natural gas transportation system, including main gas pipelines, gas distribution, metering and compressor stations, is an integral part of the Lithuanian energy system. It plays an important role in the creation of an environment-neutral economy and, more importantly, a cleaner and safer future. Amber Grid is ready to transform the natural gas system by adapting it to the safe transportation of renewable energy sources, that is biogas, a mix of methane and hydrogen and pure hydrogen, as well as to create a new system for hydrogen transportation, and opportunities are being analysed for the development of carbon dioxide activities. We were working to integrate into the single European market, creating a unified system that will help the country to confidently pursue the European Green Deal and consumers to enjoy clean energy at the best price.

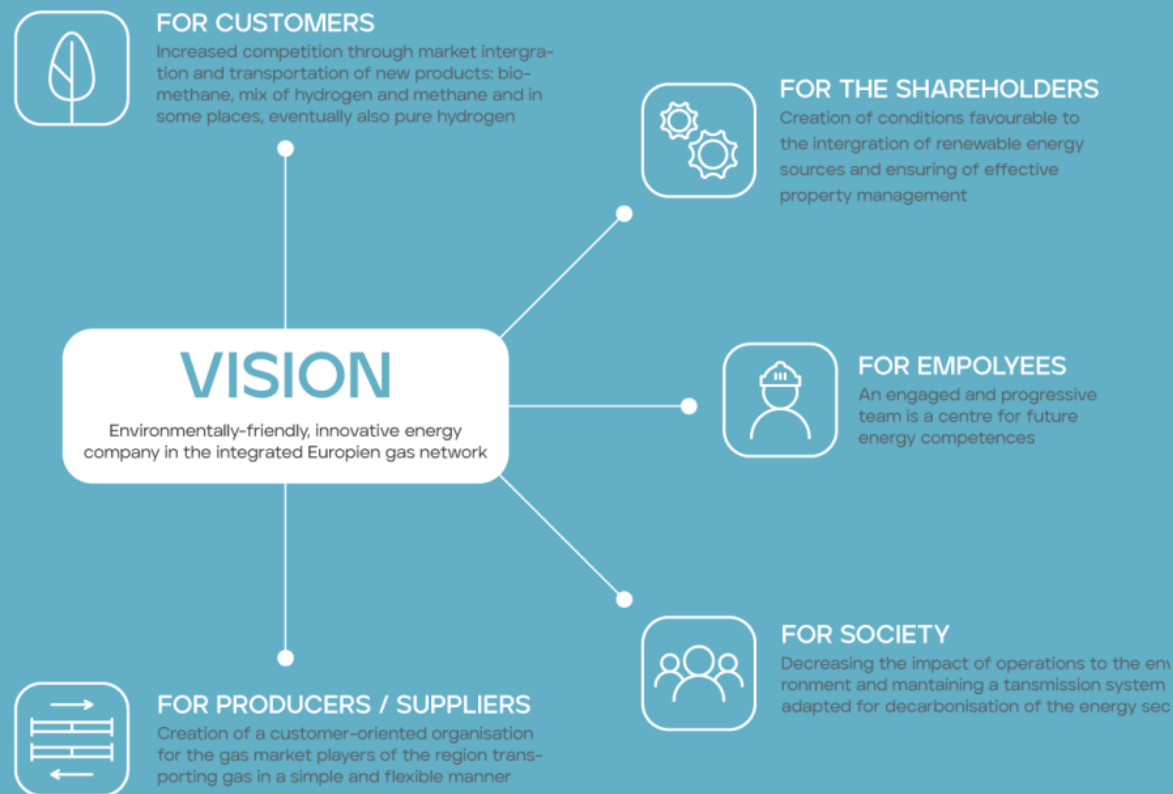
Value for stakeholders is the axis of the strategy. Five stakeholders are in the focus of attention: customers, producers/suppliers, shareholders, the society and employees, and the Company is committed to create value for each of them.

For each stakeholder, we have defined obligations and the unifying mission thus identifying the main purpose as long-term obligations to the stakeholders.

Figure 2. Amber Grid's commitments to stakeholders.



Figure 3. Amber Grid's strategic priorities for 2030



Main guidelines for the implementation of the strategy during the 10-year period have been prepared for each stakeholder, with specific actions planned for each year of the period.

Based on the main strategy implementation guidelines, we have formulated objectives, measures and strategic performance indicators for the short term (3-year period).

Implementation of the mission, pursuit of the vision and all activities of the Company are based on the fundamental human and professional values: professionalism, cooperation, and progress.

#### Long-term strategic objectives and main performance indicators of the Company

	Consumers	Producers	Founder	Society	Employees
<b>Objectives</b>	<ul style="list-style-type: none"> <li>Adapt the transmission system for green gas supply to the market</li> </ul>	<ul style="list-style-type: none"> <li>Create the customer-centric organisation</li> <li>Implement strategic projects provided for in the NEIS in a timely manner and to the envisaged extent</li> </ul>	<ul style="list-style-type: none"> <li>Ensure sustainable returns to shareholders</li> <li>Ensure efficient management of the system to accommodate RES integration</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the environmental impact of operations</li> <li>Enable gas sector transformation through RES integration</li> </ul>	<ul style="list-style-type: none"> <li>Create inclusive and advanced organisation</li> <li>Create an advanced organisation - Centre of Excellence for Future Energy</li> </ul>
<b>Key performance indicators</b>	<ul style="list-style-type: none"> <li>Implementation of the action plan for adapting the transmission system for the supply of green gas to the market on time and to the envisaged extent</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction index, %</li> <li>Implementation of strategic projects covered by the NEIS in a timely manner and to the envisaged extent</li> </ul>	<ul style="list-style-type: none"> <li>ROE</li> <li>Allowable return to be earned by the regulator (EUR m)</li> <li>Quantity of RES gas in the system (TWh)</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of the environmental impact of operations (CO<sub>2</sub>, CH<sub>4</sub> emissions, etc.)</li> <li>Quantity of RES gas in the system (TWh)</li> </ul>	<ul style="list-style-type: none"> <li>Employee engagement (%)</li> <li>Recognised new gas experts are invited to deliver reports on this topic in at least two Lithuanian and international conferences each year</li> </ul>
<b>Result in 2030</b>	<ul style="list-style-type: none"> <li>Created possibilities for transporting hydrogen and gas mixtures according to new national and transnational standards</li> <li>Quantity of RES gas entering the gas system (with guarantees of origin) – 1.6 TWh</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction index in 2030 ≥ 80%</li> <li>Implemented NEIS projects on time and with 100% of the expected scope</li> </ul>	<ul style="list-style-type: none"> <li>ROE not less than established by the RL Government</li> <li>100% of allowable return to be earned by the regulator</li> <li>Quantity of RES gas entering the gas system (with guarantees of origin) – 1.6 TWh</li> </ul>	<ul style="list-style-type: none"> <li>Environmental impact of operations (CO<sub>2</sub>, CH<sub>4</sub> emissions, etc.) reduced by 2/3 compared with the established base year</li> <li>Quantity of RES gas entering the gas system (with guarantees of origin) – 1.6 TWh</li> </ul>	<ul style="list-style-type: none"> <li>Employee engagement by 70 %</li> <li>Centre of Excellence for New Gas – shaping future energy trends, lawmaking, business model</li> </ul>

Amber Grid continuously evaluates the implementation and progress of the strategy to achieve its goals. A detailed information on the Company's strategy is available on the Company's website at [www.ambergrid.lt/strategija](http://www.ambergrid.lt/strategija).

Table 3 below shows the status of implementation of the strategy.

Table 3. Implementation of the Company's strategy

CONSUMERS	
Objective	
<b>To adapt the transmission network to placing of green gas on the market</b>	<p>Within the scope of this objective, two measures were envisaged:</p> <ol style="list-style-type: none"> <li><i>Implementation of a programme to adapt the gas transmission systems of Estonia, Finland, Latvia and Lithuania to transport a mixture of hydrogen and methane.</i></li> </ol>

	<p>2. <i>The gas system is adapted for methane-hydrogen mixture transportation and ensuring energy system flexibility.</i></p> <p>The measures were suspended in mid-2024 following failure to coordinate the Company's P2G investment project with the National Energy Regulatory Council, therefore the decision was made to suspend the implementation of the P2G project and the investment programme for the adaptation of the transmission system to the transport of hydrogen-methane mixtures.</p>
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*The indicator value for 2024 was achieved.*

*The amount of RES gas entering the gas system (with guarantees of origin) was **0.18 TWh** (planned 0.25 TWh).*

## PRODUCERS/SUPPLIERS

### Objectives

<b>To create a customer-oriented organisation</b>	<p>Achieving this goal involves several measures:</p> <ol style="list-style-type: none"> <li>1. <i>Better customer experience.</i> The customer satisfaction survey, which was conducted for the fourth year in a row, showed very positive results (the GCSI index was 90%, NPS 63). In 2024, we focused on active engagement with our customers to meet their expectations as expressed in the 2023 survey.</li> <li>2. <i>Introduction of automated solutions or a platform for servicing contractors and other interested parties.</i> The implementation of the planned automated solution platform for servicing contractors and other interested parties has been delayed by discussions on the scope of work and the search for a suitable technical solution.</li> </ol>
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*The indicator value for 2024 was achieved.*

*Customer satisfaction indicator (GCSI) achieved – **90%** (planned  $\geq 80$ )*

<b>To implement the strategic projects provided for in the National Energy Independence Strategy in a timely manner and within the planned scope</b>	<p>Two strategic projects have been assigned to this objective:</p> <ol style="list-style-type: none"> <li>1. <i>Creating Nordic-Baltic Hydrogen Corridor,</i> a cross-border hydrogen infrastructure corridor. The planned works were carried out according to plan by submitting the project application for CEF funding and initiating the preparatory work for the commercial principles study.</li> <li>2. <i>Optimisation of gas compressor station capacities and ensuring continuity of their operation through the decarbonisation of the gas transport system.</i> The measure is planned to include the restructure of two compressor stations (Jauniūnai and Panevėžys). During 2024, following a review of the procurement strategy, the execution of the measure was modified to achieve cost savings and to attract more participants in the procurement process. The projects are scheduled to be finalised in time, or slightly earlier.</li> </ol>
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*The indicator value for 2024 was achieved.*

*Strategic projects under the NEIS/NECP were implemented in a timely manner and within the planned scope, i.e. **90%** achievement (partially achieved)*

## FOUNDER

### Objectives

<b>Ensure a sustainable return for the shareholder</b>	<p>A more detailed overview of the objective "To ensure a Sustainable Return to the Shareholder" is provided in section Financial results.</p>
<b>To ensure efficient system management by adapting it to integration of renewable energy sources</b>	<p>A number of measures are foreseen to achieve this goal.</p> <ol style="list-style-type: none"> <li>1. <i>Implementation of a unified BMS (ERP, HCMS, PPMIS, GRC).</i> The systems are planned to be implemented at the EPSO-G Group level and the timeline for this measure has been extended following a change in the procurement strategy.</li> <li>2. <i>Based on the results of the area class study, initiate an amendment to the legislation to provide specific requirements for pipelines with pressure relief devices. Transfer of the relevant infrastructure to ESO.</i></li> </ol>



	<p>The Company has taken all the steps within its power to implement this measure, pending NERC assessment.</p> <ol style="list-style-type: none"> <li>3. <i>To use digital solutions/tools in the construction and operation of the transmission system.</i> Training on repository search for documents, analysis of the interfaces between BIM, GIS and asset management data exchange, and a proposal for adaptation were delivered.</li> <li>4. <i>To undertake benchmarking through the Gas Transmission Benchmarking Initiative (GTBI).</i> Action plans based on selected indicators and a Power BI report for the selected indicators have been developed, respective actions take place, and a process of responsibilities is being adjusted.</li> <li>5. <i>Development of hydrogen activities.</i> An analysis of the prospects for the capture, storage and transport of green CO<sub>2</sub> has been carried out, and an analysis of the potential for synthetic gas/fuel production, export and storage has been prepared and submitted to the Ministry of Energy.</li> <li>6. <i>Adapt the main gas pipeline sections for diagnostics and conduct the diagnostics at least once.</i> Not all sections of the main gas pipelines subject to diagnostics are adapted to diagnostics, with 94% achievement of the measure. Solutions are being sought for sections where diagnostics are difficult.</li> <li>7. <i>The implementation of the Law on Special Land Use Conditions of the Republic of Lithuania according to the timetable set by the law.</i> Phase 4 plans have been approved. The areas identified in the plans have been registered, except for one section of the pipeline due to a change in the administrative boundary of the municipality. A revision of the plans is required and is scheduled to be carried out by the end of 2026.</li> <li>8. <i>The Company's anti-bribery management system is certified under LST ISO 37001:2017 'Anti-Bribery Management Systems – Requirements with Guidance for Use'.</i> According to the plan, all measures envisaged have been delivered on time and within their original scope.</li> <li>9. <i>Upgrading IMIS from IFS9 to IFS Cloud.</i> The new version analysis of the projected scope has been carried out. Configuration is underway.</li> <li>10. <i>Development of a new EPSO-G Group's and Amber Grid's long-term strategy.</i> The Company's strategic role and leadership in the transformation of the energy sector was clarified in a timely manner, and a draft Strategy 2035 of Amber Grid, agreed with the EPSO-G and approved by the Board, was prepared and submitted to GCC for evaluation, and the Company's final strategy was approved and submitted to GCC.</li> </ol>
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*The indicator value for 2024 was achieved.*

*The amount of RES gas entering the gas system (with guarantees of origin) was **0.18 TWh** (planned 0.25 TWh).*

## THE PUBLIC

### Objectives

<p><b>To enable the transformation of the gas sector by integrating renewable energy sources</b></p>	<p><i>Integration of the national system of guarantees of origin for gas produced from RES (including hydrogen) into the European system.</i> The AIB gas scheme has been developed but not approved due to changing EU legislation. Due to changes in IT system for the administration of guarantees of origin, it has been decided to first connect to the AIB system as from 1 July 2025, instead of ERGaR system.</p>
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*The indicator value for 2024 was achieved.*

*The amount of RES gas entering the gas system (with guarantees of origin) was **0.18 TWh** (planned 0.25 TWh).*

<b>To significantly mitigate the impact of operations on the environment</b>	<i>Implementation of environmental impact mitigation measures.</i> In 2024, the modelling of GHG targets to 2030 took place at the Group level, which will lead to adjustments in the measures and targets in the GHG Roadmap. GHG emissions have been reduced by 55% (compared to 2019), i.e. more than initially planned.
<i>The indicator value for 2024 was achieved.</i> <i>GHG emission reduction - <b>55%</b> reduction (15% GHG reduction was planned compared to 2019)</i>	
<b>EMPLOYEES</b>	
<b>Objectives</b>	
<b>To create an engaged organisation</b>	<i>Better employee experience.</i> All the measures were implemented according to the employer branding plan.
<i>The indicator value for 2024 was achieved.</i> <i>The Company's employee engagement was <b>69%</b> (planned <math>\geq 70</math>)</i>	
<b>To create a progressive organisation – a centre for future energy competencies</b>	<ol style="list-style-type: none"> <li><i>Establishing a centre for future energy competences.</i> Professional/technical competency models and plans for the acquisition/development of missing competencies were developed for 50% of the technical units, as it was planned.</li> <li><i>Implementation of the Matrix Management Model,</i> the Functional Area Operating Model was implemented as planned.</li> <li><i>Building a culture of operational efficiency.</i> All planned actions have been carried out: implementation of the operational excellence approach, development of the method logic at the organisational level, calibration sessions with the working groups, evaluation of results and identification of follow-ups.</li> </ol>
<i>The indicator value for 2024 was achieved.</i> <i>Recognised new gas experts invited to deliver reports on this topic at least in 2 conferences held in Lithuanian and internationally on an annual basis <b>&gt;5</b> (planned &lt;2)</i>	

### 3.2. OPERATING AND FINANCIAL OBJECTIVES

The Board of the Company formulated and approved the annual operating objectives of the Company for the year 2024. Both financial and non-financial objectives set for the Company and the objectives of the Company's CEO are identical. The Company's CEO reports to the Board for the achievement of the set objectives.

The table below presents the status on the implementation of the Company's objectives set for the year 2024.

Status of the implementation of the Company's objectives for 2024

Annual objective	Target values for the indicator	Weight of the goal	Assessment of goal achievement
<b>Enabling energy transformation</b>	<ol style="list-style-type: none"> <li>(1) Hydrogen programme implemented as planned (60% weight)</li> <li>(2) A new Amber Grid's long-term strategy has been developed as an integral part of the Group of companies strategy (40% weight)</li> </ol>	30%	26%

<b>Safe and efficient asset management.</b>	(1) Implementation of the strategic asset management plan (SAMP) (50% weight) (2) Optimisation of gas compressor station capacities and ensuring continuity of their operation through the decarbonisation of the gas transport system (50% weight).	30%	26%
<b>Financial and operational sustainability</b>	(1) adjROE $\geq$ 5.0%; adjEBITDA $\geq$ EUR 27.0 million (60% weight) (2) Sustainable business development (40% weight)	20%	20%
<b>Building sustainable organisation</b>	(1) Establishing a centre for future energy competences (50% weight) (2) Building a culture of operational efficiency (50% weight)	20%	20%

The Board of the Company annually assesses the progress achieved in respect of the implementation of the objectives. The result is used as one of the components when awarding annual financial incentive to both the Company's management and employees.

The objectives set for the Company are identical to those of the Company's CEO. They are available Amber Grid's website <https://ambergrid.lt/tikslai>

Based on the Board's assessment, the objectives set for the Company for 2024 were achieved at **92%**.

### 3.3. STRATEGIC INFRASTRUCTURE PROJECTS

In 2022-2023, the Company completed the implementation of strategic natural gas infrastructure projects –: the construction of the Gas Interconnection Poland-Lithuania (GIPL) and the Enhancement of Latvia-Lithuania Interconnection (ELLI). The Lithuanian natural gas transmission system has become an important part of the integrated infrastructure of the Baltic region, connecting the Lithuanian transmission system to the European natural gas transmission system and creating broader opportunities for Baltic and Finnish market participants to access diversified sources of gas supply, as well as ensuring security and reliability of gas supply.

Gas infrastructure in the Baltic region (source: ENTSOG) in 2024



## 4. OPERATIONS

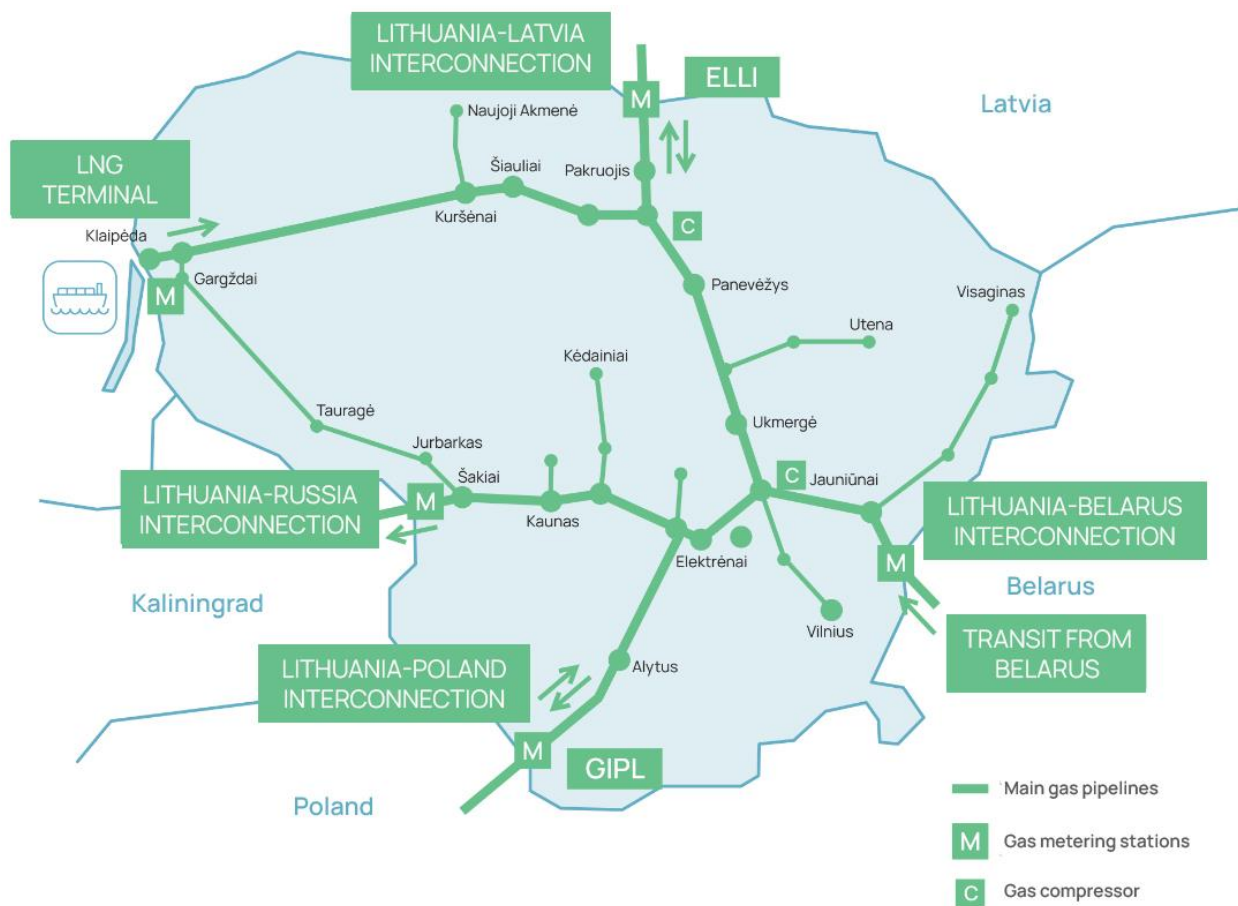
### 4.1. TRANSMISSION SYSTEM

The natural gas transmission system consists of the gas transmission pipelines, gas compressor stations, gas distribution stations, gas metering stations, anti-corrosion equipment for protection of pipelines, data transmission and communication systems, and other facilities belonging to the transmission system. The Lithuanian gas transmission system is connected to the gas transmission systems of the Republic of Poland, the Republic of Latvia, the Republic of Belarus, the Kaliningrad Region of the Russian Federation, and the Klaipėda LNG terminal.

The Company operates 64 gas distribution stations (GDS), 4 gas metering stations (GMS) and 2 gas compressor stations (GCS). The length of the operated pipelines is 2,288 km, and the diameter ranges between 100 and 1220 mm. The design pressure in the larger part of the transmission system is 54 bar.



## Lithuanian gas transmission system



## 4.2. MAINTENANCE, RECONSTRUCTION AND MODERNISATION

Maintenance of the main gas pipelines is regulated under the legal acts and is carried out strictly in compliance with the requirements set forth therein. Maintenance and repair works are conducted continuously to ensure a reliable and safe transmission system. In 2024, 67 km of the main gas transmission pipelines Panevėžys – Šiauliai, Santaka – Lithuania-Poland border was inspected by way of internal diagnostics. In 2024, 515 km of pipelines were tested for the integrity of the protective coating and the effectiveness of the cathodic protection.

### In 2024, the Company carried out the following reconstruction and modernisation works:

- replacement of insertions of main gas transmission pipelines, taking into account the technical condition of main gas transmission pipelines and the results of diagnostics;
- reconstruction works in individual sections of the main gas pipeline Vilnius-Kaunas (about 16.9 km);
- replacement of shut-off devices and connection to the remote control system in the branches to: the Alytus GDS, the Prienai GDS, the Birštonas GDS, the Vilkaviškis GDS, the Batniava GDS, the Miežiškiai GDS, the Šiauliai GDS, the Pajiešmeniai GDS, the Panevėžys GDS, the A. Paneriai GDS I, the A. Paneriai GDS II; in the main gas pipelines: Ivacevičiai-Vilnius-Riga, Vilnius-Panevėžys-Riga, Panevėžys-Šiauliai line II, Vilnius-Kaunas; and in the technological connector to Klaipėda;
- renovation of buildings and other structures at the Panevėžys Gas Compressor Station;
- reconstruction works of the dispatcher building;
- upgrading control metering stations;
- installation of 18 slow and 1 medium-speed EV charging stations.

### 4.3. MARKET FOR THE SERVICES PROVIDED

Amber Grid provides natural gas transmission services to the system users, other operators, biogas producers and gas market participants in the territory of Lithuania: it transmits gas to the domestic consumers, also transports natural gas to Latvia, Poland and the Kaliningrad Region of the Russian Federation. Gas is supplied to the system via the LNG terminal in Klaipėda and gas entry points from Latvia, Poland and Belarus. As of the summer 2023, the biomethane produced in Lithuania has also been injected into the transmission system. With effect from 1 April 2022, gas supply for domestic consumption was discontinued from Russia.



Amber Grid is also responsible for balancing gas flows in the transmission system and administering the Klaipėda LNG terminal, its infrastructure, installation of the interconnector and the funds (LNGT funds) to compensate for fixed operating costs and the nominated supplier's reasonable costs of supplying the necessary volume of liquefied natural gas. The Company actively works with its partners to create conditions for efficient functioning of the natural gas market by increasing the competitiveness and liquidity of the gas market and by ensuring attractive conditions for customers to operate in the natural gas market.

Amber Grid administers the National Register of Guarantees of Origin for gas produced from renewable energy sources, i.e. fulfils the following functions: issuance, transfer and cancellation of the guarantees of origin, supervision and monitoring of the use of the guarantees of origin, and recognition of the guarantees of origin issued in other states as acceptable in Lithuania. Green gas is produced from biomass and other RES. The guarantee of origin is granted per unit of energy: one megawatt-hour (MWh) supplied to the gas transmission and distribution network. The guarantee of origin system enables identification, registration and monitoring of the biomethane produced, while the end-users of such fuel can be assured that the gas they use is produced from renewable energy sources.

### 4.4. CUSTOMERS

The customers of Amber Grid's services of natural gas transmission via gas transmission pipelines and balancing of natural gas flows in the transmission system are large Lithuanian electricity and district heating companies, industrial and medium-size businesses in Lithuania, energy and natural gas supply companies in the Baltic and third countries that receive natural gas transmission services.

At the end of 2022 and H1 2023, the Company received a number of requests



from biomethane producers for the issuance of preliminary connection conditions, following the adoption of amendments to Article 32 of the Law of the Republic of Lithuania on Renewable Energy Resources in 2022, which entered into force on 1 November 2022, which provide that a biogas producer, after coordinating with the gas system operator, shall have the right to design and/or construct / install and perform works in the gas system on behalf of the gas system operator, according to the procedure, terms and conditions set out in the gas system service agreement for connection of the biogas production facilities to the gas system.

The new legal framework has significantly boosted the initiatives of biogas producers to connect to Amber Grid's gas transmission system. More information thereon is available in the Section "Green gas activities".

## 4.5. SERVICES PROVIDED

**The Company provides the following services to system users, other operators and gas market participants:**

- gas transmission in the territory of Lithuania;
- balancing gas flows in the transmission system;
- administration of LNGT funds;
- administering the register of guarantees of origin for gas produced from renewable energy sources.
- connecting new consumers, including biomethane producers, to the transmission system.

### 4.5.1. GAS TRANSMISSION

#### GAS TRANSMISSION QUANTITIES

In 2024, 23,854 GWh of natural gas was injected into Amber Grid's gas transmission system from Klaipėda LNG terminal for consumers of Lithuania and EU Member States; 4,137 GWh was transported from Latvia to Lithuania and 1,488 GWh – from Poland to Lithuania. In 2024, 127 GWh of biomethane had been produced in Lithuania and injected into the transmission system in Lithuania. Klaipėda LNG terminal supplied 80.6% of the total required quantity of gas for consumers of Lithuania and EU Member States.

In 2024, 16,947 GWh of gas was transported up to the domestic exit point for the gas consumers in Lithuania. Compared to 14,913 GWh of gas transported during 2023, gas transmission quantities increased by 13.6%.

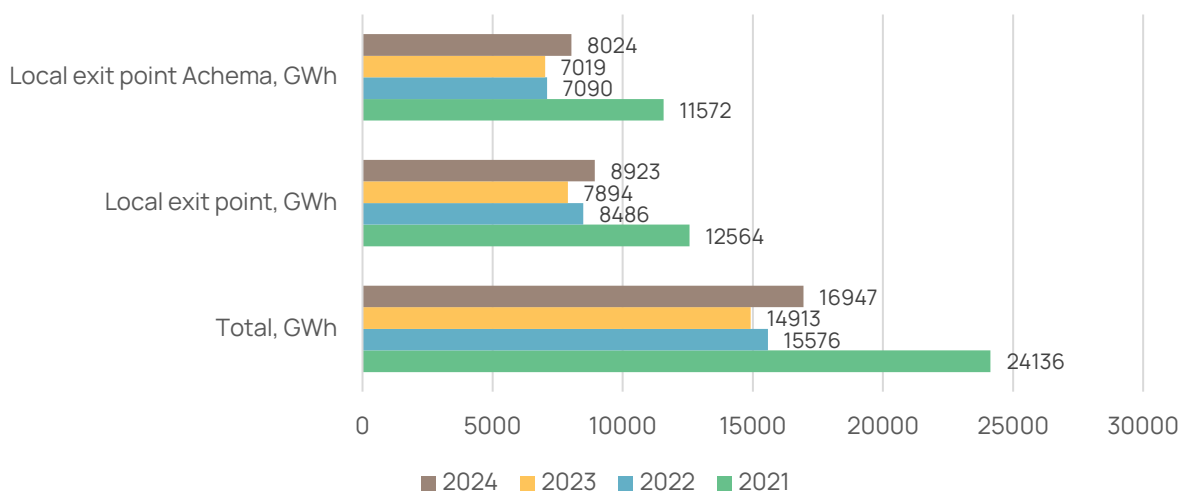
In 2024, 9,687 GWh of gas was transported from the Lithuanian transmission system to Latvia through the Kiemėnai gas metering station, i.e. 49.4% less than in 2023 (19,140 GWh).

In 2024, 2,545 GWh of gas was transported from Lithuania to Poland via Santaka gas metering station, i.e. 21.3% less than in 2023 (3,240 GWh).

During the reporting period, 26,125 GWh of gas was transported to the Kaliningrad Region of the Russian Federation, i.e. 9.1% more than in 2023 (23,946 GWh).

As at 31 December 2024, the Company had 88 agreements on natural gas transmission services with the transmission system users (gas consumers, gas distribution system operators, importers, gas suppliers supplying gas up to the consumer systems), of which 66 system users used the transmission capacity during the reporting period. The Company had 1 natural gas balancing agreement with the market participants trading natural gas via the virtual trading point, but not transporting it via the transmission system.

## Gas volumes transported at the local exit point by transmission system user in Lithuania

**REGULATION OF PRICES FOR THE GAS TRANSMISSION SYSTEM OPERATOR'S SERVICES**

The application of the network code on harmonised transmission tariff structures for gas (TAR NC) established by Commission Regulation (EU) 2017/460 of 16 March 2017 was started in 2020 for pricing of transmission services.

Regulation of gas transmission prices is conducted by NERC through setting the revenue cap, the pricing methodology, and through approval of the specific prices set by the Company. The revenue caps for regulated activities can be annually adjusted by the decision of NERC in accordance with the procedure established in the Methodology for determining revenue from and prices for regulated natural gas transmission activities.

In 2024, a new 5-year regulatory period began, which will end at the end of 2028. The revenue cap set by NERC for the regulated activity for 2024, the first year of the current regulatory period, was EUR 67.01 million, which is 4.43% more compared to the revenue cap approved for 2023 (due to the increase in total costs). The revenue cap for regulated activities for 2025 set by NERC in May 2024, amounts to EUR 63.83 million, which is 4.75% lower than the approved RC for 2024 of EUR 67.01 million. The decrease in the RC is due to lower forecast technological costs. Detailed information on the prices of gas transmission services is available on Amber Grid's [website](#).

At the beginning of 2024, when setting the transmission tariffs for 2025, 65.3 TWh of natural gas was forecast to be transported through the Lithuanian gas transmission system, which is 1.4% less than the estimate for 2024 (66.3 TWh) and 15.3% more than the actual transport in 2024 (55.3 TWh). In 2024, the actual transport to Poland and Latvia was almost twice as low as forecast, mainly due to the scheduled maintenance of the LNG terminal, which took more than a month. Higher consumption of natural gas in Lithuania was also expected. Although Lithuania's gas consumption amounted to 17 TWh, which is 2 TWh more than in 2023, this is 4 TWh less than the projected gas demand. The projected level of booked capacity, consumption capacity and transported gas volumes has been determined taking into account historical data, the needs of existing and potential system users.

In 2024, the average price of gas transmission services for Lithuanian consumers (considering both long and short-term services) was EUR 1.49/MWh (higher by 7.4% than in 2023). The average price of gas transmission services approved for Lithuanian consumers, based on the tariffs for 2025, was 1.60 Eur/MWh (7.4% increase compared to 2024).



In 2024, transmission prices at all entry points (including the Klaipėda entry point) are aligned with entry prices in the neighbouring tariff area of Latvia, Estonia and Finland.

At the end of 2024, NERC published public consultation on the reference price methodology for determining the tariffs of services provided by Amber Grid, effective for 2026 and subsequent periods. Some of the envisaged pricing amendments are also driven by the provisions of the Regulation on Decarbonisation, adopted in mid-2024. This public consultation closes on 14 February 2025.

#### 4.5.2. BALANCING OF GAS FLOWS IN THE TRANSMISSION SYSTEM

Amber Grid ensures the balancing of natural gas flows in the transmission system. By following the Rules for Natural Gas Transmission System Balancing, the Company purchases balancing gas from a gas market participant when there occurs gas surplus in the transmission system, and the Company sells balancing gas to a gas market participant when there occurs gas shortage in the transmission system.

The Rules for Balancing the Natural Gas Transmission System enforced on 1 March 2022 stipulate that the virtual trading point cannot trade in day-ahead products, which has increased the number of market participants causing imbalances. The Transmission system operator calculates a neutrality fee for each market participant to ensure financial neutrality for the reporting period. The amendments have been drafted in accordance with the provisions of Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks.

During 2024, due to the imbalance caused by the system users, the Company bought 326.25 GWh and sold 323.5 GWh of gas.

Following the amendments to Amber Grid's Rules for Balancing the Natural Gas Transmission System rules enforced on 1 March 2022, Amber Grid calculates a neutrality fee for market participants to ensure financial neutrality. In 2024, EUR 2.6 million was refunded to system users and EUR 0.03 million was collected from them.

Transmission of gas by transit from/to third countries causes mixing of physical gas flows in the transmission system, which in turn results in a difference between the gross calorific value of gas at the entry and exit points of the gas transmission system. In 2024, the gas transmission to the Kaliningrad region resulted in a difference of 344.0 GWh at the entry and exit points of the transmission system, which was bought from the Company through the settlement of the third country to third country transmission services provided.

Apart from balancing of gas flows of the system users and other gas market participants, the quantity of natural gas contained in the pipelines of the Company's transmission system fluctuates due to technical and technological characteristics of the transmission system.

#### 4.5.3. ADMINISTRATION OF FUNDS INTENDED FOR COMPENSATION OF CONSTRUCTION COSTS AND FIXED OPERATING COSTS OF THE LNG TERMINAL, ITS INFRASTRUCTURE AND THE CONNECTOR, AND FOR COMPENSATION OF REASONABLE COSTS INCURRED BY THE DESIGNATED SUPPLIER

In order to ensure compliance with the requirements of the legal acts (the Law on Liquefied Natural Gas Terminal and the supplementing legal acts), the Company collects, administers and pays out the LNG terminal funds to the terminal operator (KN Energies AB) and to the designated supplier (Ignitis UAB) in

accordance with the procedure prescribed by laws, and these funds are used to compensate Amber Grid for the costs of administration of the LNG terminal funds.

The security component set for 2024 is EUR 205.93/ MWh/ day/ year (in accordance with Resolution No O3E-1694 of NERC of 22 November 2023). It applies from 1 January 2024 to 31 December.

The proportions of the allocation of funds of the LNG terminal to the beneficiaries of the SGD terminal's funds (applicable in 2023 and from 1 January 2024, respectively), as agreed with NERC, are presented in Table 3.

Information on the allocation of the LNGT funds collected in 2023-2025 among the beneficiaries of LNGT funds

Components	Proportion 01/01/2023- 30/06/2023	Proportion 01/07/2023- 31/12/2023	Proportion 01/01/2024- 31/12/2024	Proportion 01/01/2025- 31/12/2025
Liquefied natural gas regasification component	0%	0%	0.000%	
Administrative cost component	0%*	0%	0.401%	
Reasonable costs' component for supplying the necessary quantity to the LNG terminal	0%	100%	99.599%	
<b>In total:</b>	<b>-</b>	<b>100%</b>	<b>100%</b>	<b>n/a</b>

\*In line with the NERC's decision, the costs of administering the funds for 2023 were reimbursed by the designated supplier

By Decision No O3E-1469 of 27 December 2024, NERC approved the security component, with the effect from 1 January 2025, which for the first time is set negative (-25.55 EUR/MWh/day/year). Acting as the administrator of the LNGT funds and in accordance with the description of the procedure for the administration of the LNGT funds, as amended by NERC, the Company will have to repay the LNGT funds to their payers (transmission system users) in 2025.

Due to funds unpaid to the LNG terminal, the Company currently has one civil case pending regarding the award of LNG terminal's funds and default interest from AB Achema.

By the decision of Kaunas Regional Court of 20 January 2022, the proceedings were suspended in respect of the claimed LNG extra charges of EUR 4,678 thousand and late interest of EUR 55 thousand arising from the natural gas transmission service contract of 22 December 2014, as it was pending the decision of the European Commission regarding the compatibility of the LNGT extra charges, collected during the period from 1 January 2016 to 31 December 2018, with the state aid rules under the EU law. By decision of 17 March 2022, the Lithuanian Court of Appeal left the decision of Kaunas Regional Court of 20 January 2022 unchanged.

By the decision of Kaunas Regional Court of 20 September 2022, the proceedings were also suspended in respect of late interest of EUR 763 thousand arising from the natural gas transmission service contract of 21 December 2012 and a counterclaim, whereby Achema AB requested to declare as unlawful the Company's actions when calculating late interest under the natural gas transmission service contract of 21 December 2012 and when allocating the payments collected from Achema AB under the contract for offsetting against late interest, as it was pending the decision of the European Commission regarding the compatibility of the LNG terminal funds, charged during the period from 1 January 2016 to 31 December 2018, with the state aid rules under the EU law. As the Company disagreed with the decision of Kaunas Regional Court of 20 June 2022, it filed a separate appeal regarding the annulment of the aforementioned part of the decision. As the Lithuanian Court of Appeal investigated the Company's separate appeal, it

made a decision on 8 September 2022, by which the decision of Kaunas Regional Court of 20 June 2022 was left unchanged. In the absence of a decision by the European Commission, the proceedings have been stayed pending grounds for suspension.

On 6 September 2024, the Company submitted a statement to the Kaunas District Court regarding the increase of the claim (hereinafter the "Statement"), asking the court to award EUR 763,119.55 of default interest from Achema AB in favour of the Company based on the natural gas transmission service contract dated 21 December 2012, EUR 7,080,801.52 of LNG extra charges and EUR 67,776.35 of default interest under the natural gas transmission service contract dated 22 December 2014. The issue of acceptance of the Company's Statement will be decided by the Kaunas District Court after resuming the proceedings.

#### 4.6. 10-YEAR NETWORK DEVELOPMENT PLAN

In accordance with the provisions of the Law on Natural Gas, Amber Grid prepares the Ten-Year Network Development Plan of the transmission system operator every two years. In June 2024, Amber Grid prepared the Ten-Year Network Development Plan (2024-2033) and submitted to NERC. The plan was approved by NERC in October. The main aspects of Amber Grid's 10-year network development plan include:

- Modernising existing gas infrastructure, ensuring security and increasing resilience to crisis situations.
- Developing alternative energy sources, integrating renewable energy.
- Building a hydrogen transport network, synergies between the gas and electricity sectors.
- Reducing greenhouse gases (GHGs).

One of the Company's commitments mentioned in the plan is to modernise the national gas transmission infrastructure, taking into account Lithuania's energy independence goals, European energy and decarbonisation provisions, and the needs of green energy project developers and market players. Considerable attention is paid to the integration and diversification of renewable energy sources (RES) such as biomethane and green hydrogen. The needs of potential customers have been taken into account in the development of the integrated hydrogen network in the 10-year network development plan. Possible network solutions were coordinated with the electricity transmission system operator Litgrid and its network development plans.

Investments of around EUR 213 million are planned in gas transmission system development projects over the next decade in the Plan, of which, the investments over the next five years will amount to around EUR 150 million. They are planned to be channelled into the projects to adapt the transmission system to transport hydrogen and gas mixtures, and to rehabilitate and modernise existing transmission infrastructure.

#### 4.7. GREEN GAS ACTIVITIES

##### **Guidelines for hydrogen development in Lithuania in 2024-2050**

The Guidelines for Hydrogen Development in Lithuania 2024-2050 (hereinafter – H2 Guidelines) were approved by Order No 1-81 of the Minister of Energy of the Republic of Lithuania of 26 April 2024. The H2 Guidelines set out a vision for hydrogen development in Lithuania, defining strategic directions and stages of hydrogen development, the business environment and challenges. The H2 Guidelines document identifies the hydrogen network from Finland to Germany as one of the main hydrogen transport projects, which will run through Lithuania and will enable the export or import of hydrogen from other EU countries. The implementation of this project will allow Lithuania to benefit from underground hydrogen storage facilities planned in other Member States. Hydrogen blending in the natural gas network is identified in the H2 Guidelines as a transitional measure to stimulate the emergence of a green hydrogen market and to

create the first hydrogen transport capacities. In order to exploit the potential of green hydrogen and its derivatives in the Lithuanian economy and export markets, at least one hydrogen valley is planned to be established in the first stage, later increasing this number to two. According to the H2 Guidelines, the installation of a 1.3 GW electrolysis plant in Lithuania would produce 129,000 tonnes of green hydrogen per year from 2030. Taking into account Lithuania's GHG reduction targets and its international commitments, it is estimated that the demand for green hydrogen in Lithuania could reach 110,000 tonnes per year in 2030. In addition, around 33,000 tonnes could be available for export.

On 27 June 2024, the Seimas of the Republic of Lithuania approved the National Energy Independence Strategy, designed to implement fundamental changes in the energy sector, ensuring that the amount of energy produced in Lithuania matches the amount consumed and that the energy sector becomes completely climate-neutral by 2050.

In order to contribute more significantly to the promotion of hydrogen and Power-to-Gas technologies at local and regional level, the Company further participates in the Lithuanian Hydrogen Platform established by the Ministry of Energy, and is a member of the European Clean Hydrogen Alliance and the Lithuanian Hydrogen Energy Association. The Company has continued to participate in the European Hydrogen Backbone initiative, which brings together more than 30 transmission system operators from across Europe to develop a vision, analyse alternatives, and draw up implementation plans for a nationwide interconnected hydrogen transport/storage infrastructure.

### Nordic-Baltic Hydrogen Corridor project

In January 2024, the Baltic Sea Region gas transmission system operators: Gasgrid vetyverkot Oy (Finland), Elering AS (Estonia), AS Conexus Baltic Grid (Latvia), Amber Grid AB, GAZ-SYSTEM S.A. (Poland) and Ontras Gastransport GmbH (Germany) signed the agreement with the consultancy company whereby they decided to draw up the pre-feasibility study for a Nordic-Baltic green hydrogen transport corridor linking the hydrogen production and consumption centres of the Member States between Finland and Germany. The study examines the basic conditions for the development of the NBHC project, the technical, legal, organisational, and economic aspects necessary to realise the hydrogen corridor.

The hydrogen corridor will play a crucial role in achieving the European Union's decarbonisation goals with hydrogen produced and further supplied within the EU territory.

The Nordic and Baltic region provides significant renewable hydrogen potential identified within the pre-feasibility study at the amount of approx. 27.1 million tons (Mt) of renewable hydrogen production (based on combined onshore and offshore wind and solar) by 2040. This creates a large hydrogen market creation and export potential towards continental Europe which the NBHC aims to address.



By 2040, the corridor is projected to transport up to 2.7 million tons (Mt) of renewable hydrogen annually between the countries. The pre-feasibility study indicated that the NBHC can be one of the first



operational cross-border hydrogen pipelines in Europe. The NBHC pipeline is currently planned to be 1,200 mm in diameter, with several compressor stations and spanning approximately 2,500 km.

In 2025, the project partners plan to start feasibility studies across the respective countries. These studies will focus on various crucial aspects including pipeline routing, compressor stations planning, financial and economic analysis, environmental and safety permitting issues as well as investigations on the project implementation timeline. These studies are expected to run until the end of 2026.

In addition to these studies, the involved partners aim to complete several cross-border analyses to further substantiate the NBHC planning on an overall project level based on the outcomes from the aforementioned studies. These studies involve project coordination, technical and commercial alignment, and customer and stakeholder engagement. The cross-border studies are expected to run until the end of 2026.

The project participants believe that the feasibility study phase will allow to accelerate cooperation and make a good progress on the realization of the NBHC project. Not only has hydrogen corridor project the potential to significantly reduce carbon emissions of the participating countries, but it can also promote business growth and support the ramp-up of a completely new hydrogen economy in Europe. Together, these thorough analyses will build a path towards NBHC's progression as a safe, reliable and cost-efficient transport route for renewable hydrogen connected to the future European hydrogen network in Central Europe.

- In December 2022, six gas transmission system operators, the project partners, signed a cooperation agreement on promoting the project together.
- In April 2024, the Nordic-Baltic Hydrogen Corridor was granted the status of the project of common interest (PCI) by the European Commission.
- In June 2024, the project partners completed a pre-feasibility study.
- In October 2024, transmission system operators applied for funding under the Connecting Europe Facility (CEF).

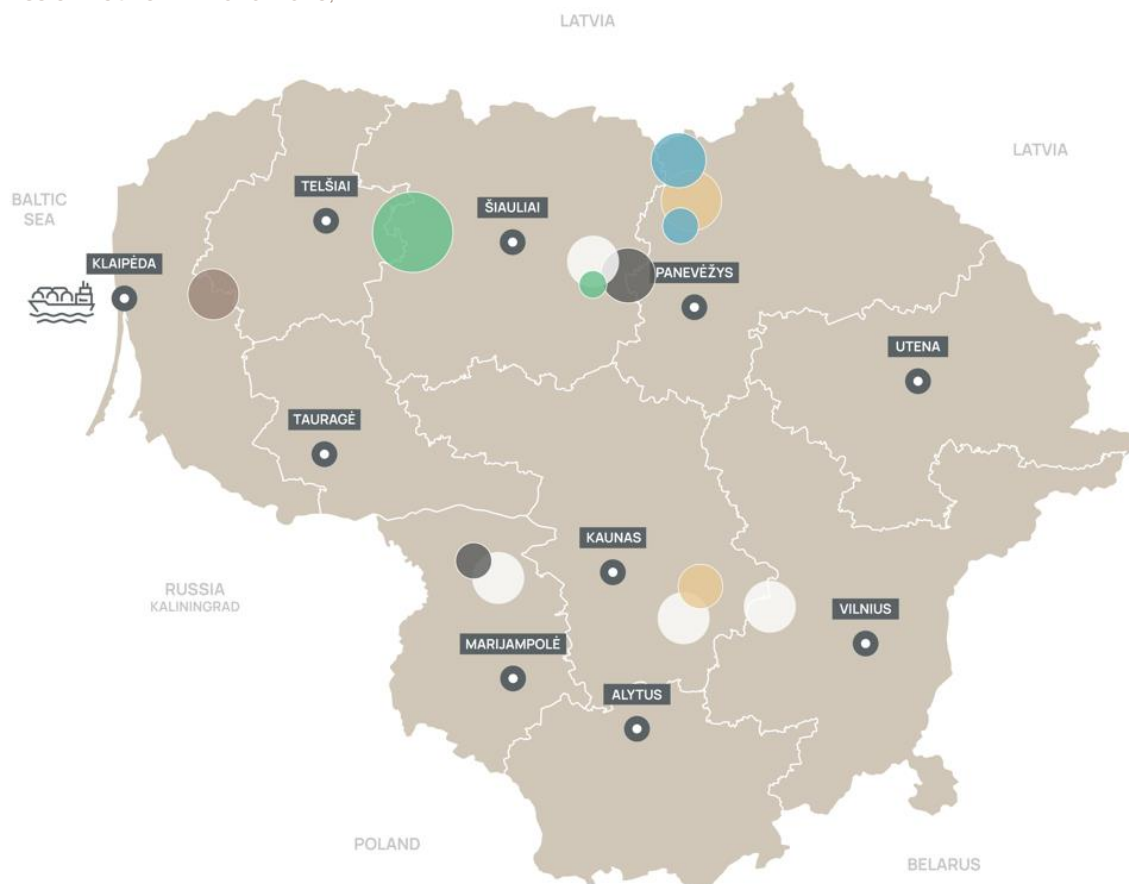
### **Development of biomethane production**

As Lithuania's economy grows and the country moves towards achieving the European green energy transformation goals, there is a growing need to look for possibilities to utilize renewable energy resources in the country. Recently, the emergence of biogas and biomethane in the gas system has played one of the most significant roles in this context.

In Lithuania, investments in biomethane production is also growing rapidly. Large industrial companies and new entrants are actively exploring the possibility of installing biomethane plants, connecting them to the gas transmission and distribution system, and supplying the biomethane produced to the domestic and foreign markets through the Green Gas Guarantee of Origin (GO). The integration of biomethane into the common energy system is now a key energy objective for European countries, and is therefore a significant future opportunity for the Company's customers.

The Lithuanian government has recognised the potential of biomethane and has already implemented certain policy measures to support its development. For example, the Alternative Fuels Act sets ambitious goals for the use of renewable fuels in the transport sector, providing a strong incentive to build new biomethane plants. The government has allocated funds to support biomethane projects, demonstrating its commitment to transitioning to a more sustainable energy system.

Distribution of biomethane connection conditions by location and projected scope of biomethane inlet into the transmission network in 2025-2028, MWh/m



At the end of 2024, biomethane was fed into the transmission network by UAB Tube Green in Pasvalys district and UAB Agrokoncerno biometanas in Radviliškis district. According to data of 2025, 12 connection conditions have been issued, of which 6 were already under contract. Most of them are planning to connect their systems in 2025, with an expected biomethane volume of ~0.5 TWh/m to be transferred to the transmission network. Later on, a steady increase in biomethane feed-in capacity is planned, based on the submitted applications, reaching ~1.3 TWh in 2028.



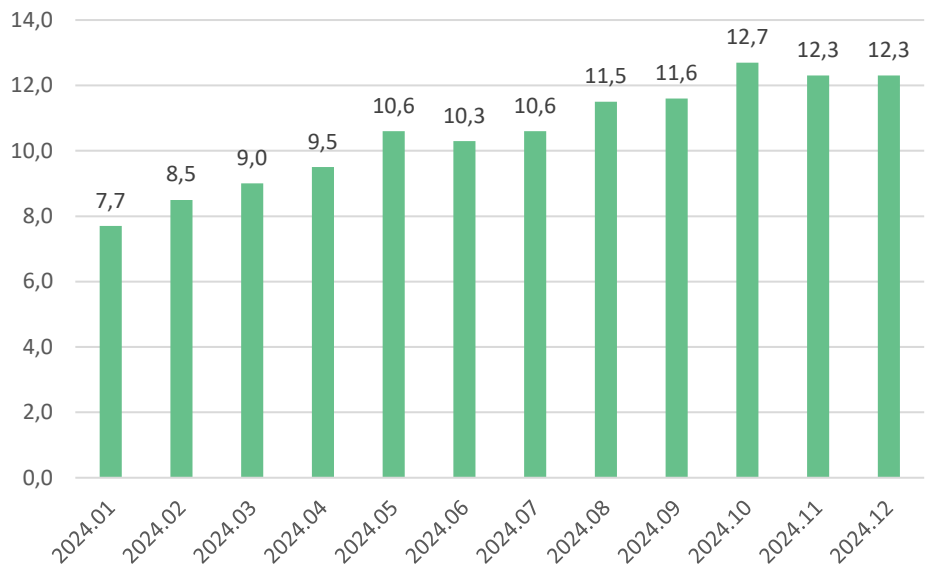
#### 4.7.2 ADMINISTRATION OF GUARANTEES OF ORIGIN

In the development of the biomethane business, a significant benefit comes from the ability to trade biomethane guarantees of origin. This became available after completing the international GIPL gas pipeline interconnection between Poland and Lithuania, which has connected our system to the European gas network. The physical pipeline interconnection between the Baltic States region and the rest of Europe opens opportunities for the exchange of guarantees of origin with EU countries.

Amber Grid has developed and administers the system for guarantees of origin for green gas in Lithuania. The system is necessary for the accounting and traceability of the green gases injected into the transmission system.

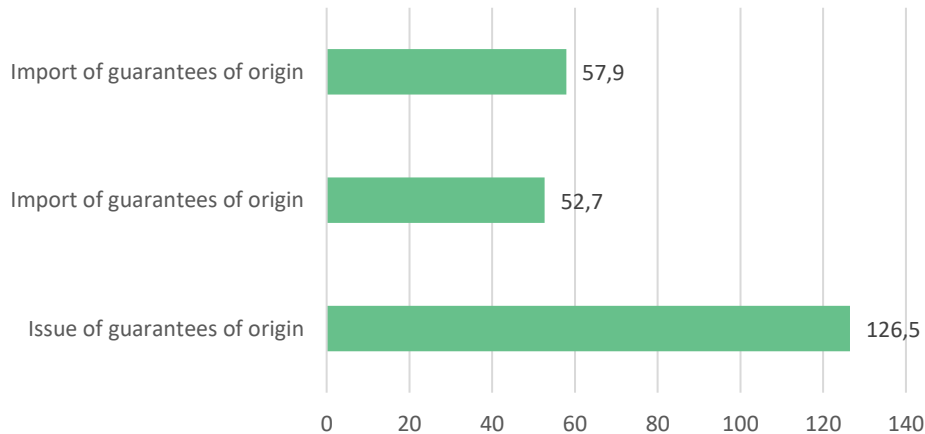
In 2024, biomethane plants operating in Lithuania produced and injected about 130 gigawatt-hours (GWh) of renewable gas into the transmission network.

Guarantees of origin issued for biomethane produced in Lithuania, GWh, 2024



The system for guarantees of origin is beneficial for energy consumers who want to use renewable energy produced in Lithuania or another EU country in their activities. Amber Grid is a member of organizations uniting European issuing bodies for guarantees of origin, such as the AIB (Association of Issuing Bodies) and ERGaR (European Renewable Gas Registry). European Renewable Gas Registry.

Fig.9. Guarantees of origin issued, imported and exported, GWh, 2024



In 2024, more than 50 GWh of green gas was imported into Lithuania via the guarantees of origin system, and in 2023, more than 40 GWh. This biomethane is used as fuel in transport, and the guarantees of origin are used in the renewable fuel unit system to cover the obligations of fuel suppliers regarding the share of renewable fuels in the final fuel mix.

## 4.8 RESEARCH & DEVELOPMENT ACTIVITIES

### H2

In June 2024, a pre-feasibility study of the NBHC project was completed. Six TSO's decided to carry out feasibility studies across the respective countries and cross-border studies based on the outcomes from the aforementioned studies. The outcome of the cross-border studies will form the basis for the design and construction of a pipeline from Finland to Germany.

### CO<sub>2</sub>

Carbon capture, utilisation, and storage is the main instrument for reducing carbon dioxide emissions in industrial sectors where it is difficult to reduce greenhouse gas (GHG) emissions. Creating a value chain for carbon capture, utilisation, and storage is a prerequisite for achieving the EU's 2050 climate neutrality target.

The CCS Baltic Consortium, established in 2022, aims to create a common carbon capture and storage (CCS) value chain in Lithuania and Latvia and has secured Projects of Common Interest (PCI) status for a planned carbon capture and transport route across both EU Member States to transport CO<sub>2</sub> to the port of Klaipėda and then to disposal sites.

Initially, CCS Baltic Consortium considered transporting CO<sub>2</sub> by rail and road, but subsequent analysis showed that transporting by pipeline would be a rational choice, therefore the cooperation was established with Amber Grid and Conexus Baltic Grid, Latvia's natural gas transmission system operator. Amber Grid supports the development and implementation of the carbon value chain and could become a partner of CCS Baltic Consortium if the consortium decides to transport CO<sub>2</sub> onshore via pipelines.

### Synthetic fuel

Amber Grid carried out an analysis of the potential for synthetic fuels (from hydrogen and CO<sub>2</sub>) production, export and storage in Lithuania. The analysis assessed the regulatory environment for synthetic fuels in the context of the EU's Green Deal objectives. Particular attention is paid to synthetic fuels as emerging trend in the heavy-duty vehicle, aviation, and shipping sectors at EU and global level, considering the maturity of synthetic fuel production technologies, their mass production readiness and cost-effectiveness potential. The analysis presents the opportunities of synthetic fuel production development in Lithuania: production, consumption, storage and export potential, taking into account Lithuania's geographical location, existing infrastructure and the potential to integrate into the EU single market. This study helps the Company prepare for the future energy transformation by identifying the potential for the development of hydrogen and CO<sub>2</sub> networks, enhancing the country's energy independence and contributing to decarbonisation goals.

## 4.9 BUSINESS PLANS AND PROSPECTS

By contributing to Lithuania's ambitious goals for a greater share of renewable energy in the domestic energy balance, the Company participates in a number of initiatives and projects that enable its specialists to develop competencies in the field of RES gas. The Company's membership in the ERGaR (European Renewable Gas Registry) association and in the Association of Issuing Bodies (AIB), besides the aforementioned goals, enables to develop new competencies that will contribute in future to the promotion of green gas production and market development in Lithuania, safeguarding the business continuity of the Company, and implementation of the National Energy Strategy. Looking at the outlook for gas transmission, in 2025, the Company expects to transport about 16.9 TWh to domestic gas exit points, 2.5 TWh to Poland, around 26 TWh to Kaliningrad Region, and 9.7 TWh to Latvia. As estimated for 2024, the bigger part of the natural gas quantity for consumers of Lithuania and other Baltic States is forecast to come from Klaipėda LNG terminal.



## 5. FINANCIAL RESULTS

### 5.1. FINANCIAL INDICATORS

Financial indicators

Company	2024	2023	2022
<b>Financial performance (EUR thousand)</b>			
Revenue	74,583	81,337	96,652
EBITDA	26,527	25,739	30,965
Profit (loss) before taxation	9,502	13,992	18,088
Net profit (loss)	8,306	13,425	15,720
Net cash flows from operating activities	34,601	39,940	18,992
Investments	6,405	35,703	42,852
Financial debt (loans)	84,794	92,046	100,962
<b>Profitability indicators (%)</b>			
EBITDA margin (%)	35.6	31.6	32.0
Net profit (loss) margin	11.1	16.5	16.3
Average return on assets (ROA)	2.5	4.0	4.7
Average return on equity (ROE)	4.6	7.2	8.7
<b>Liquidity indicators</b>			
Total liquidity ratio	0.39	0.43	0.64
Fixed assets turnover	0.27	0.28	0.34
<b>Capital structure indicators</b>			
Equity-to-assets ratio	0.54	0.56	0.53
Financial debt-to-equity ratio	0.48	0.49	0.55
Financial debt-to-EBITDA ratio, times	3.20	3.58	3.26
<b>Market value indicators</b>			
Share price to earnings per share ratio (P/E), in times	24.9	14.6	14.2
Net earnings (loss) per share, EUR	0.05	0.08	0.09

**Formulas for calculating indicators:**

EBITDA margin = EBITDA/revenue

Net profit (loss) margin = net profit (loss)/revenue

ROA = net profit (loss)/average asset value

ROE = net profit (loss)/average equity value

Current ratio = current assets/current liabilities

Turnover of non-current assets = revenue/property, plant and equipment and intangible assets

Equity-to-assets ratio = equity/assets

Financial debt-to-equity ratio = financial debt/equity

Financial debt-to-EBITDA ratio = financial debt/EBITDA

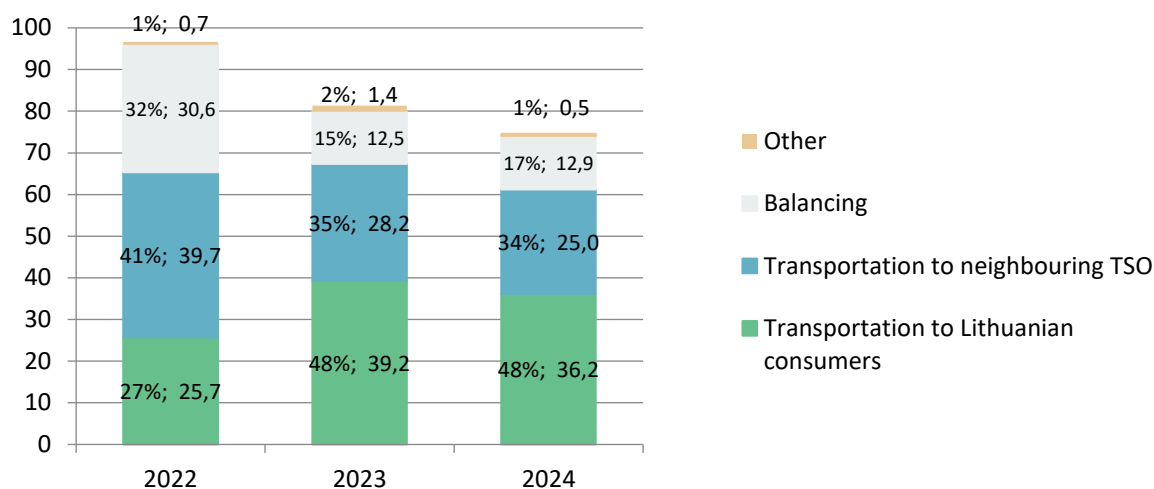
Share price/earnings per share ratio = share price at the end of period/(net earnings/number of shares)

Investments (additions of property, plant and equipment and intangible assets)

### 5.2. REVENUE

In 2024, the Group's revenue totalled EUR 74.6 thousand, i.e. decreased by 8% compared to 2023 (EUR 6.8 million). The main reason for the decrease in revenues is the 10% reduction in gas volumes transmitted compared to 2023. Balancing product revenue slightly increased (+3%; EUR 0.3 million). Balancing product revenue was generated from technological balancing of the transmission system caused by the technological transmission system features and the deviations in gas flows (imbalances) for technical reasons.

Revenue structure, %; EUR million



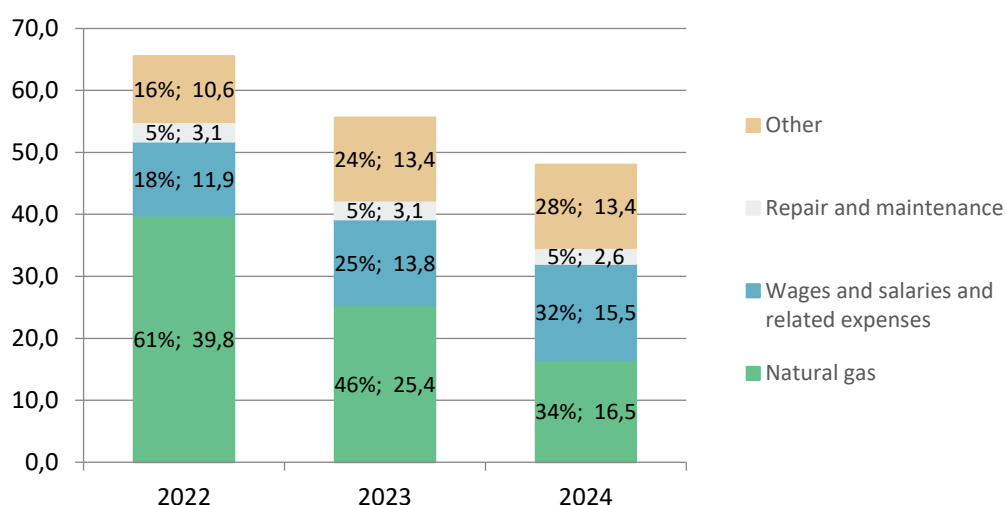
### 5.3. EXPENSES

Operating expenses (excluding depreciation, other non-cash items) amounted to EUR 48.1 million in 2024, a decrease of 14% compared to 2023. The decrease was due to the fall in gas prices and the corresponding decrease in gas expenses.

Wages and salaries and related expenses amounted to EUR 15.5 million (32% of total expenses), an increase of 12% compared to 2023. Repair and maintenance costs amounted to EUR 2.6 million (5% of the total costs).

Natural gas expenses amounted to EUR 16.5 million and accounted for 34% of total expenses. Compared to 2023, the natural gas expenses decreased by 35% due to lower gas prices.

Expense structure, %; EUR million

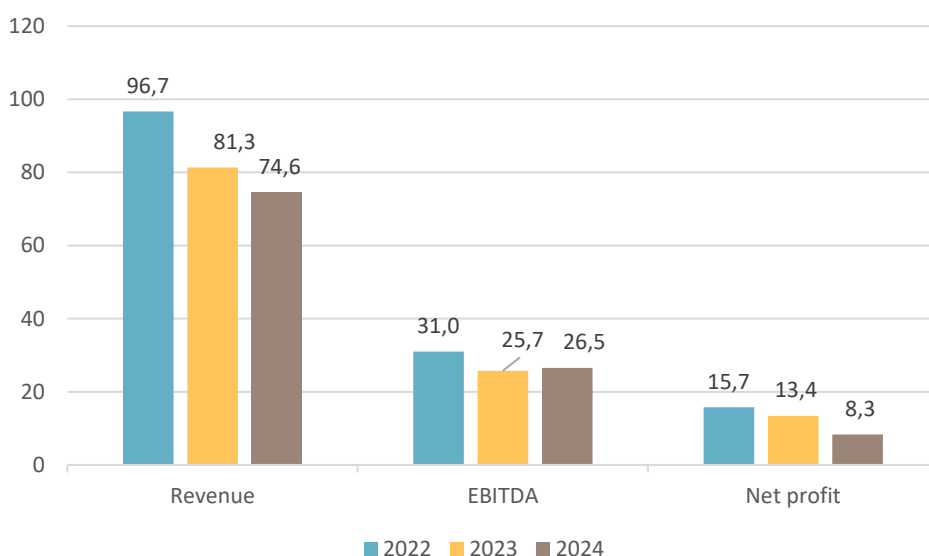


## 5.4. OPERATING RESULTS

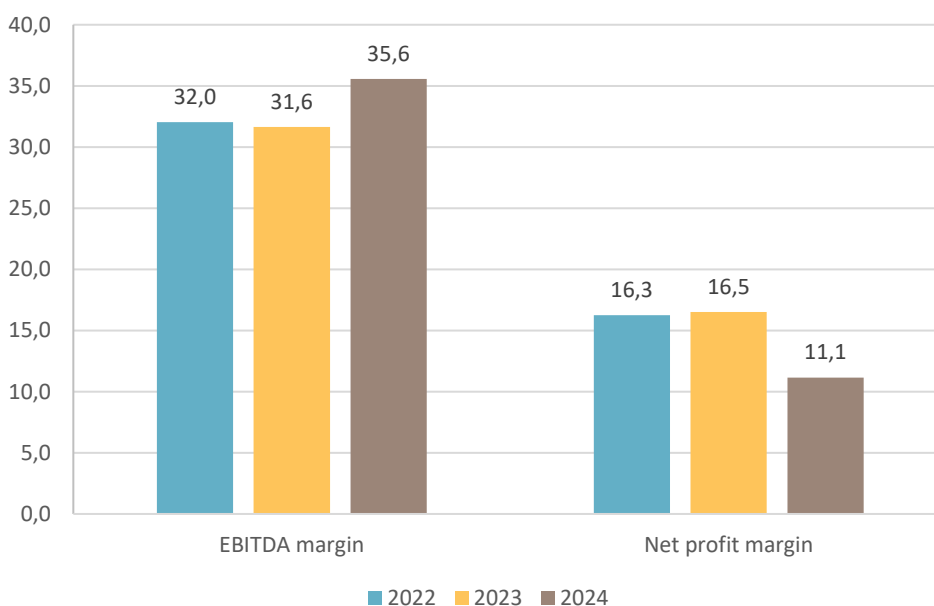
In 2024, net profit totalled EUR 8.3 million, i.e. decreased by 38% compared to 2023 (EUR 13.4 million). The Company's earnings before taxes, interest, depreciation and amortisation (EBITDA) amounted to EUR 26.5 million (2023: EUR 25.7 million).

The drop in net profit in 2024 was due to the recognition of a gain on the disposal and revaluation of a subsidiary in 2023 (one-off effect of - EUR 10.1 million).

Operating results, EUR million



Profitability, %

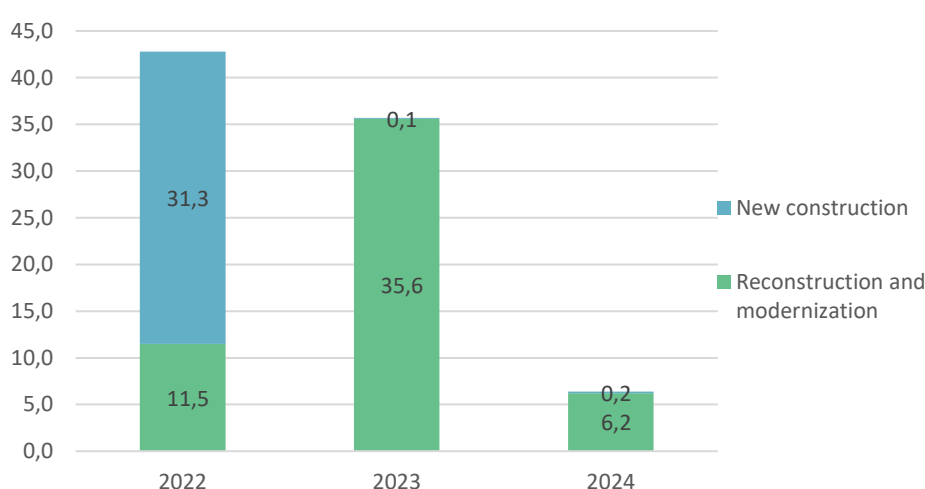


## 5.5. INVESTMENTS

In 2024, we successfully completed important projects that started in 2023. In 2024, investments were lower than in 2023 (EUR 35.7 million) and amounted to EUR 6.4 million. A more detailed description of investments under way and planned is provided in sections 4.2 and 4.6 of this report.

In planning and executing investments, the Company is guided by the Technological Assets Development and Operation Policy, which aims to justify and prioritise investments in the natural gas transmission system infrastructure by applying cost-benefit analysis. Investments in the gas transmission system ensure the safe, reliable, economically and environmentally efficient transmission of natural gas to customers and consumers.

Investments, EUR million



## 5.6. ASSETS

As at 31 December 2024, the value of assets amounted to EUR 327.2 million: non-current assets accounted for 89% and current assets 11% of the total assets.

Non-current assets decreased by 2% to EUR 291.9 million in 2024 due to investments below depreciation. The value of current assets as at 31 December 2024 was EUR 35.3 million, and increased by 3% during 2024 due to increase in financial assets.

## 5.7. EQUITY AND LIABILITIES

During 2024, equity decreased by 6% due to dividends paid above the profit earned in 2024, and, at the end of the reporting period, amounted to EUR 175.6 million. At the end of the reporting period, equity represented 54% of the total assets.

As at 31 December 2024, payables and liabilities amounted to EUR 151.6 million, i.e. increased by 4% during the year.

As at 31 December 2024, the financial debt (loans) amounted to EUR 84.8 million, i.e. decreased by EUR 7.3 million over the reporting period. The financial debt-to-equity ratio was 58%.



## 5.8. CASH FLOWS

In 2024, net cash flows from operating activities amounted to EUR 34.6 million (2023: EUR 39.9 million). Capital investments amounted to EUR 6.1 million (2023: EUR 37.6 million). In 2024, the EU financial support obtained to finance the investment projects amounted to EUR 7.2 million (2023: EUR 14.3 million).

## 5.9. ADJUSTED INDICATORS

Adjusted performance indicators are presented to reflect the Company's performance more accurately in a given period and to provide a more objective comparison with prior periods. Regulated revenue, expense and profitability indicators were adjusted due to temporary regulatory deviations from the regulatory profitability approved by NERC, also eliminating atypical/one-off transactions (sale of shares in GET Baltic UAB).

### The adjustments to the indicators take into account:

- The profitability adjustment (temporary regulatory differences for previous periods) approved by the NERC's decision for the reporting period;
- A projected NERC's adjustment for the next period due to deviations in the current period's regulated profitability (temporary regulatory differences for reporting period);
- Other non-ordinary transactions, income tax adjustments.

Company's adjusted indicators, Eur million

	2024	2023
<b>EBITDA</b>	26.5	25.7
Temporary regulatory differences for previous period	2.0	-2.9
Temporary regulatory differences for reporting period	-1.1	+1.9
Adjusted EBITDA	27.4	24.7
<b>Net profit</b>	<b>8.3</b>	<b>13.4</b>
Temporary regulatory differences for previous period	2.0	-2.9
Temporary regulatory differences for reporting period	-0.3	1.7
Other (non-ordinary transactions, income tax adjustments)	0.1	-3.0
<b>Adjusted net profit</b>	<b>10.1</b>	<b>9.2</b>
Adjusted return on equity (ROE)	5.5%	5.0%

## 5.10. REFERENCES TO AND ADDITIONAL EXPLANATIONS OF DATA REPORTED IN THE FINANCIAL STATEMENTS

Other information has been disclosed in the notes to the financial statements of Amber Grid for the year 2024.

## 5.11. INFORMATION ON SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

Significant events after the end of the reporting period have been disclosed in the notes to the financial statements of Amber Grid for the year 2024.

## 5.12. INFORMATION ON ANY FINANCIAL ASSISTANCE

On 30 April 2024, the Company's General Meeting of Shareholders allocated EUR 403 thousand of distributable profit to support. To address the issue of attracting experts needed for the transformation of the Lithuanian energy sector, in August 2024, the Company provided a support to training institutions totalling EUR 75 thousand. Support and humanitarian aid to Ukraine for the reconstruction of Ukraine's energy facilities damaged by the war amounted to EUR 109 thousand.

The Company's support policy is publicly available at:

[https://www.epsog.lt/uploads/documents/files/Politikos/20220527\\_Paramos%20politika.pdf](https://www.epsog.lt/uploads/documents/files/Politikos/20220527_Paramos%20politika.pdf).

## 5.13. INFORMATION ON RELATED-PARTY TRANSACTIONS, SIGNIFICANT ARRANGEMENTS AND DETRIMENTAL TRANSACTIONS

Information on related-party transactions is presented in the financial statements of Amber Grid for the year 2024.

During the reporting period, the Company neither entered into any detrimental transactions (transactions that are inconsistent with the Company's objectives or standard market terms, that infringe on interests of shareholders or any other stakeholders, etc.), nor into any transactions giving rise to conflict of interests in respect of responsibilities fulfilled by the Company's management, controlling shareholders or any other related parties, also in respect of the Company's interests and their private interest and/or other responsibilities.

The Audit Committee of EPSO-G, which operates at the group level and performs the functions of the Audit Committee of Amber Grid, expresses opinion on significant related-party transactions of Amber Grid. The Audit Committee assesses whether the respective related-party transaction has been concluded on market terms, and whether the transaction is fair from the standpoint of all the shareholders.

Amber Grid's related-party transactions, 2024

Agreement No	Type of relationship	Name of related party	Details of related party	Agreement effective date	Type	Subject of agreement	Estimated value, excl. VAT
23-94976	SOE	Energijos skirstymo operatorius AB	Company code 304151376, Aguonų st. 24, LT-03212 Vilnius	02/01/2024	Other than public procurement contracts	Service of connecting the main line Vilnius – Kaliningrad LČ-18/19B (Smiltynai I vlg., Domeikava Eld., Kaunas D.) to ESO AB electricity network	4,781.16
686899	SOE	State Enterprise Centre of Registers	Company code 124110246, Lvovo st. 25-101, LT-09320 Vilnius	09/01/2024	Purchase of services	Preparation of plans for the revision of territories subject to special land use conditions	224,000.00
Additional agreement No 14	SOE	Ignitis UAB	Company code 303383884, Laisvės ave. 10, LT-04215 Vilnius	01/04/2024	Natural gas transmission services	Additional agreement No 14 (on an uninterrupted natural gas supply)	0.00

24-12547	SOE	Energijos skirstymo operatorius AB	Company code 304151376, Aguonų st. 24, LT-03212 Vilnius	15/04/2024	Other than public procurement contracts	Birštonas DSS power increase service	60.72
1_CPO271503	SOE	Ignitis UAB	Company code 303383884, Laisvės ave. 10, LT-04215 Vilnius	23/04/2024	Purchase of goods	Electricity (compensation)	0.00
	SOE	KN Energijos AB	Company code 110648893, Burių st. 19, LT-92276 Klaipėda	14/05/2024	Cooperation agreements	MEMORANDUM OF UNDERSTANDING	0.00
2024-SUT-045	SOE	EPSO-G UAB	Company code 302826889, Laisvės ave. 10, LT-04215 Vilnius	31/07/2024	Other than public procurement contracts	Agreement on termination of Information Provision Contract No SUT-20-045 of 2020-01-20	0.00
	SOE	EPSO-G UAB	Company code 302826889, Laisvės ave. 10, LT-04215 Vilnius	19/08/2024	Cooperation agreements	Information sharing with EPSO-G UAB	0.00
	SOE	State Enterprise Centre of Registers	Company code 124110246, Lvovo st. 25-101, LT-09320 Vilnius	30/08/2024	Other than public procurement contracts	Data on main gas pipelines publication agreement	0.00
2022-118134	SOE	EPSO-G UAB	Company code 302826889, Laisvės ave. 10, LT-04215 Vilnius	02/09/2024	Financial agreements	Additional agreement No 2 'Lending and borrowing'	0.00
2024-SUT-060	SOE	EPSO-G UAB	Company code 302826889, Laisvės ave. 10, LT-04215 Vilnius	02/09/2024	Financial agreements	Lending and borrowing	70,000,000.00
VPP-3916	SOE	Regitra AB	Company code 110078991, Liepkalnio st. 97A, LT-02121 Vilnius	04/10/2024	Purchase of services	For exam at Regitra	35.00
676194	SOE	EPSO-G UAB	Company code 302826889, Laisvės ave. 10, LT-04215 Vilnius	28/10/2024	Purchase of services	Additional agreement No 1 'Management (holding) services'	0.00
Additional agreement No 16	SOE	Ignitis UAB	Company code 303383884, Laisvės ave. 10, LT-04215 Vilnius	08/11/2024	Natural gas transmission services	Additional agreement No 16 (on an uninterrupted natural gas supply)	0.00

Additional agreement No 15	SOE	Ignitis UAB	Company code 303383884, Laisvės ave. 10, LT-04215 Vilnius	05/11/2024	Natural gas transmission services	Additional agreement No 15 (on an uninterrupted natural gas supply)	0.00
CPO274751	SOE	Lietuvos paštas AB	Company code 121215587, Juozo Balčikonio st. 3, LT-08247 Vilnius	07/11/2024	Purchase of services	Courier services	2,548.00
VPP-3644	SOE	Žemės ūkio duomenų centras VĮ	Company code 306205513, Vinco Kudirkos st. 18-1, LT-03105 Vilnius	12/11/2024	Purchase of services	Services for the preparation of plans for land plots with servitude and/or territories subject to special land use conditions	8,000.00
Additional agreement No 17	SOE	Ignitis UAB	Company code 303383884, Laisvės ave. 10, LT-04215 Vilnius	01/12/2024	Natural gas transmission services	Additional agreement No 17 (on an uninterrupted natural gas supply)	0.00
VPP-3988	SOE	State Enterprise Centre of Registers	Company code 124110246, Lvovo st. 25-101, LT-09320 Vilnius	10/12/2024	Purchase of services	Issue of one non-qualified systemic certificate per year	120.00
621598/1	SOE	Ignitis UAB	Company code 303383884, Laisvės ave. 10, LT-04215 Vilnius	20/12/2024	Purchase of services	Agreement on the extension of the Ignitis ON service purchase and sale contract	0.00
	SOE	EPSO-G UAB	Company code 302826889, Laisvės ave. 10, LT-04215 Vilnius	31/12/2024	Financial agreements	Letter of intent on tax loss transfer and takeover	0.00
	SOE	Tetas UAB	Company code 300513148, Senamiesčio st. 102B, LT-35116 Panevėžys	31/12/2024	Financial agreements	Letter of intent on tax loss transfer and takeover	0.00
	SOE	KN Energijos AB	Company code 110648893, Burių st. 19, LT-92276 Klaipėda	06/02/2024	Cooperation agreements	Concerning the end of cooperation in the Lithuanian LNG platform	0.00
PS-2526 (10.46 E)	SOE	State Enterprise Centre of Registers	Company code 124110246, Lvovo st. 25-101, LT-09320 Vilnius	21/02/2024	Other than public procurement contracts	Addition to the Agreement No PS-2526 (10.46 E)	0.00



	SOE	EPSO-G UAB	Company code 302826889, Laisvės ave. 10, LT-04215 Vilnius	27/08/2024	Cooperation agreements	Memorandum on cooperation in jointly conducted procurements	0.00
Annex No 10	SOE	Via Lietuva AB	Company code 188710638, Kauno st. 22-202, LT-03212 Vilnius	24/09/2024	Other than public procurement contracts	Annex 10 to Agreement S-882	0.00

## 5.14. INFORMATION ON SIGNIFICANT DIRECT AND INDIRECT HOLDINGS

As at 31 December 2024, the Company held 34% of shares in the associate GET Baltic UAB. More details on the associate are provided in Amber Grid's financial statements.

## 5.15. REFERENCES TO AND ADDITIONAL EXPLANATIONS OF DATA REPORTED IN THE FINANCIAL STATEMENTS

Other information has been disclosed in the notes to the financial statements of Amber Grid for the year 2024.

## 5.16. INFORMATION ON SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

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## 5.17. INFORMATION ON ANY FINANCIAL ASSISTANCE

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# 6. RISKS AND RISK MANAGEMENT

## 6.1. RISK MANAGEMENT FRAMEWORK

The Company views risk management as a structured approach to managing uncertainties by methodically assessing the impact and likelihood of risks and applying appropriate risk management tools. In 2024, the Company followed the Risk Management Policy and Risk Management Methodology of the EPSO-G Group approved by the Board. These documents embedded a uniform risk management system

that is based on common principles and meeting good practice according to COSO ERM (Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management) methodology applicable in the international practice. The Risk Management Policy defines the key risk management principles and responsibilities for the EPSO-G Group companies to ensure a unified corporate risk management process based on common principles. The EPSO-G Group companies define risk management principles and responsibilities in the Risk Management Policy. The Policy is publicly available on EPSO-G [website](#).

The Company's risk appetite, as defined in the Risk Management Policy, is the level of risk that is below the highest level of risk that is equal to or greater than a score of 15 (the product of the probability and the impact of the risk on the Company), or the level of risk the Company's governing bodies willing to accept to achieve the strategy and performance objectives set. Risks exceeding the score set for the risk appetite are subject to additional management measures.

**The Company has in place the following risk management process (stages):**

**I. Identification of environment.** The Company identifies aspects that may have an impact on the Company's failure to achieve its goals based on the Company's internal and external environment, planning documents, the Risk Assessment history and the monitoring of the implementation of the risk management measures. Regular environmental assessments are carried out to adapt to changes and to prepare in advance for unexpected threats.

**II. Risk assessment.** The Company identifies, analyses and assesses risks on regular basis, identifies Key Risk Indicators, and prepares the List of Risks. The Company also identifies the risk appetite, and categorizes risks according to their priority and the appetite identified.

**III. Developing a Plan on risk Management Measures.** The Company develops a Plan on Risk Management Measures for risks exceeding risk appetite.

**IV. Monitoring of risks and the implementation of the Plan on Risk Management Measures.** This process involves continuous monitoring of the Company's List of Risks and the Plan on Risk Management Measures, as well as monitoring of the Group-level risks and the list of the Group-level risks management measures.

**Communication and information.** Regular and effective sharing of information among the participants in the Risk Management process that has impact on the assessment of the companies' risks and their management. Relevant information on risks and their management is communicated to the Company's employees during staff meetings.

The Company identified operational risks for 2024, assessed them, set risk monitoring indicators and provided risk management measures.

After assessing the risks identified and managed in the Company and their level (impact on the Company's activities), the Board of Amber Grid approved the group-level risk list.

In each quarter of 2024, the Audit Committee of EPSO-G assessed the changes in the key risk indicators of the Company, the effectiveness of risk management, and presented its conclusions and recommendations to the Boards of Amber Grid.

To improve risk management and integrity within the Group, Power App, the Risk Management Information System, has been installed. Using the tool, users can enter relevant risk information, depending on their role, to generate relevant content from a common dataset, and to send reminders or comments related to risk management.

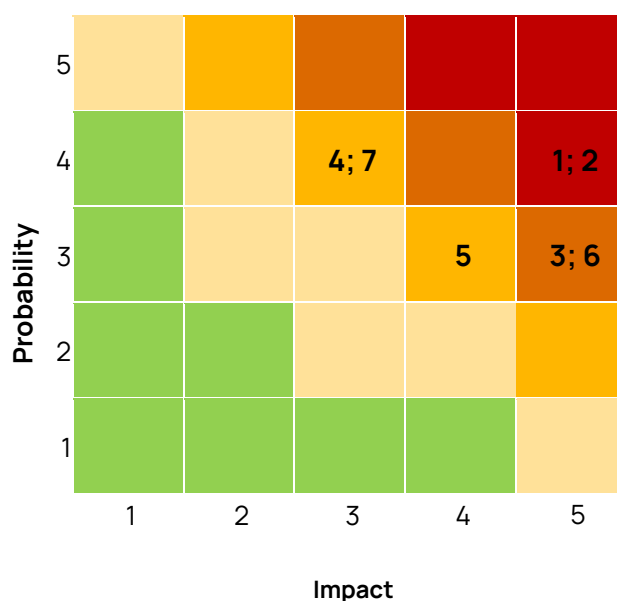
Sustainability risks are treated as an integral part of the Group's day-to-day operations and are integrated into the risk management process. The Group assess all the risks against the criteria set for the sustainability risks. Risks that meet these criteria are assigned to the relevant sustainability risk type.

## 6.2 KEY RISKS AND THEIR MANAGEMENT


### 6.2.1. Group's risk map


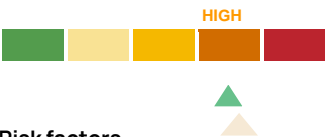
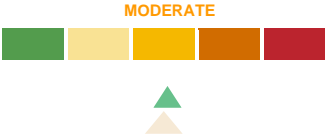
1	Risk of delays in strategic projects	▲
2	Risk of disruption to systems used in core business	▲
3	Risk of non-compliance with occupational safety requirements	▲
4	Risk of too little competition in procurement procedures carried out	▼
5	Cybersecurity risk	■
6	Risk of failing to meet the budget	▲
7	Environmental impact mitigation risk	■

Trends in a risk level	
▲	Increase
■	No change
▼	Decrease






### 6.2.2. Full description of the Group's risks

1. Risk of delays in strategic projects		
<b>Risk level</b>  <b>Risk factors</b> External - technological Internal - processes <b>Risk impact</b> Finances, reputation, business continuity <b>ESG type</b> Governance <b>Risk area</b> Project management	<b>Risk description</b> The Company implements complex, large-scale projects included in strategic planning documents at national level, which are crucial for the development of Lithuania's energy system, the smooth integration of RES, and the creation of additional opportunities for market participants to choose to consume climate-neutral energy. Delays in government and the Company's projects have a negative impact on the achievement of the Company's and/or the Group's strategic objectives. Delays in the implementation of public projects will prevent timely synchronisation with the KETs and preparation for large-scale RES integration.	<b>Management measures</b> <ul style="list-style-type: none"> <li>The Company, together with the Group's Project Management Officer (PMO), monitor and control government projects.</li> <li>Ongoing (passive and active) controls are in place, such as monitoring of automated State and Group project reports and KPIs, and active involvement in risk management and problem solving.</li> <li>The Company, together with the Group's PMO, participates in meetings between the programme, the project team and the project developer and contractors, joint problem solving and risk assessment.</li> <li>Project process audits are carried out to review in detail risks, issues, benefits, timeliness and compliance with approved processes.</li> </ul>
2. Risk of disruption to systems used in core business		

<p><b>Risk level</b></p>  <p><b>Risk factors</b> External - political, technological Internal - personnel, infrastructure</p> <p><b>Risk impact</b> Finances, reputation, business continuity</p> <p><b>ESG type</b> -</p> <p><b>Risk area</b> Electricity and natural gas system management Management of the assets attributed to the transmission system</p>	<p><b>Risk description</b> One of the key roles and responsibilities of the Company is to ensure secure, reliable, and efficient operation of natural gas and electricity transmission systems. Technological risk management aims to avoid disruptions to operations and the disconnection of gas or electricity to consumers.</p>	<p><b>Management measures</b></p> <ul style="list-style-type: none"> <li>• To ensure reliable operation of transmission systems, the Company implement specialized information systems, modern business management systems, update accident and technological disruption and emergency management, business continuity plans on a continuous basis, and set high standards for the contractors.</li> <li>• To avoid disruptions to the transmission systems, the systems are continuously monitored, maintenance plans are drawn up accordingly, and the necessary new investments in network upgrades are planned in time.</li> </ul>
3. Risk of non-compliance with occupational safety requirements		
<p><b>Risk level</b></p>  <p><b>Risk factors</b> Internal - personnel</p> <p><b>Risk impact</b> Human health, finances, reputation</p> <p><b>ESG type</b> Corporate Social Responsibility</p> <p><b>Risk area</b> Occupational Safety</p>	<p><b>Risk description</b> The Company places great emphasis on occupational safety. Given the applicable and most relevant occupational safety requirements and the current implementation situation, there is a risk of non-compliance with the OHS requirements.</p>	<p><b>Management measures</b></p> <ul style="list-style-type: none"> <li>• Proper installation of workstations, timely maintenance and control of systems, equipment, work tools.</li> <li>• Internal documents on health and safety have been approved.</li> <li>• Staff training, certification and briefings on safety and health issues.</li> <li>• Continuous monitoring and supervision of employees' and contractors' compliance with OHS requirements.</li> </ul>
4. Risk of too little competition in procurement procedures carried out		
<p><b>Risk level</b></p>  <p><b>Risk factors</b> Internal - processes, personnel External - economic</p> <p><b>Risk impact</b> Finances, reputation</p> <p><b>ESG type</b> Governance</p> <p><b>Risk area</b> Purchases</p>	<p><b>Risk description</b> The companies implement large-scale projects as part of NEIS. There is a risk that insufficient competition from suppliers will lead to economically unfavourable tenders exceeding the planned budget/not meeting the company's needs or to the procurement having to be cancelled and re-tendered.</p>	<p><b>Management measures</b></p> <ul style="list-style-type: none"> <li>• The requirement to publish all procurements with the value exceeding EUR 15 thousand on the CPP IS have been taken into the consideration, and additional publicity platforms have been utilised.</li> <li>• Requirement for promoters to identify at least 3 Suppliers in their application or justify a smaller number of suppliers.</li> <li>• Requirement to carry out a market consultation in all simplified and international procurement.</li> <li>• The principle of '4-eye' control is set as a minimum.</li> <li>• Events are organised for the suppliers.</li> </ul>



5. Cybersecurity risk		
<b>Risk level</b>  <b>Risk factors</b> External - technological Internal - personnel <b>Risk impact</b> Finances, reputation, business continuity <b>ESG type</b> Governance <b>Risk area</b> Information security	<b>Risk description</b> The information and data managed by the Company are of strategic importance for the security of Lithuania, therefore, loss of such information or data, illegal change or disclosure, damage thereof, or termination of the data flow which is necessary for a secure operation of transmission systems may cause disturbances of the activities of the Company, cause damage to other natural persons and legal entities.	<b>Management measures</b> <ul style="list-style-type: none"> <li>• In order to prevent cyber incidents, threats to the information systems, physical protection and security management systems of the Company are regularly assessed, existing security measures, systems and/or tools are constantly updated and new ones are introduced to comply with the strict requirements of the EU and the Republic of Lithuania's legislation on information security.</li> <li>• The Company's employees actively participate in cybersecurity exercises to train how to manage and respond to cyber incidents targeting critical information systems and networks, and to ensure the functioning of their services.</li> </ul>
6. Risk of failing to meet the budget		
<b>Risk level</b>  <b>Risk factors</b> External - economic Internal - processes, personnel <b>Risk impact</b> Finances, reputation <b>ESG type</b> - <b>Risk area</b> Finance management	<b>Risk description</b> There is a risk that the Company will fail to meet their budgets and financial plans, which will adversely affect their ability to meet the commitments of specific companies and EPSO-G as the Group's, as well as ability to meet financial covenants and other obligations, and to pay dividends.	<b>Management measures</b> <ul style="list-style-type: none"> <li>• Performance control (monitoring by EPSO-G, the Boards) as part of the Integrated Planning and Monitoring Policy.</li> <li>• For the purpose of regulated activities, comments and recommendations, as appropriate, on decisions related to recognition of expenses, changes in a methodology, and development of a common Group position.</li> <li>• For the purpose of non-regulated activities, review of, amendments to the action plan, where appropriate.</li> </ul>
7. Environmental impact mitigation risk		
<b>Risk level</b>  <b>Risk factors</b> Internal - processes, personnel <b>Risk impact</b> Environment, reputation, finances <b>ESG type</b> Environment protection <b>Risk area</b> Environment protection Sustainability development	<b>Risk description</b> Untimely or inaccurate recording and reporting of sustainability-related indicators, inaccurate calculation of GHG emissions from the Group's operations, or delays in reporting compliance with requirements to institutional investors may result in sanctions from the exchange authorities, and fines for defaulting on commitments to investors. There is also a risk of non-achievement of EPSO-G's long-term strategic objectives and its commitments (sustainability indicators) related to the issued bonds when the regulatory approval for the necessary investments to reduce environmental impacts (GHG emissions) is not obtained due to regulatory restrictions or lack of cost-effectiveness.	<b>Management measures</b> <ul style="list-style-type: none"> <li>• The Company is provided with the list of ESG indicators to be selected. Additional measures are also being put in place: ESG system (IT solution) is developed for the timely collection of sustainability-related indicators.</li> <li>• The Company is required to develop and implement cost-effective mitigation plans and related measures.</li> </ul>

In 2024, corruption, compliance, going concern risks were included in the Company's key risk register. All of these risks are medium or low level because of applied effective risk management measures. Being aware of the importance of these risks for the achievement of the sustainability objectives, the Company pays particular attention to the management and disclosure of these risks.

## 6.3 CLIMATE CHANGE RISKS

Given the importance of climate-change challenges in the energy sector, the EU regulations (the EU Taxonomy Regulation, the European Sustainability Reporting **Standards (ESRS)**, etc.), climate-related risk disclosures and to improve related risk management, in 2023, Amber Grid AB together with other EPSO-G Group companies and in partnership with consulting firm Deloitte conducted a comprehensive analysis of the EPSO-G Group's climate-related risks (physical and transition), opportunities and climate scenarios (based on IPCC climate change scenarios) in the short-term (2026), medium-term (to 2030) and long-term to 2050.

The evaluation was carried out in the EPSO-G Group for the first time and was guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The evaluation report and methodology drawn up will help to improve the assessment and management of climate change risks, improve disclosures to the Group's stakeholders and strengthen the sustainability risk management in the Group.

The assessment comprised climate-related physical risks (impact of occurrence of extreme weather events on transmission infrastructure, buildings, offices) and transition risks (regulatory, technology, reputation, market, public pressure), measures and indicators were developed to manage these risks.

Climate-related issues fall within the wide range of sustainability topics and are integrated into the Group's decision-making process (see earlier in Section "Risk management framework").

### Assessing climate change risks



The scale for assessing climate risks is based on the EPSO-G Group's risk management methodology (the same scale is being used), and the impact is understood as the financial impact compared to the income level. The impact assessment was carried out at each company level, and then aggregated in the Group-level analysis.

Due to the risk management measures already in place and applied in the Group, physical and transition risks are identified as moderate or low. However, the Group, being aware of the importance of these risks for the achievement of the sustainability objectives, will pay particular attention to the management these risks, better disclosures and integration of risk-related opportunities into business strategy.

More detailed information disclosed in the Report on Climate Change Risks 2022/2023 (see reference to the report).

## 7. MANAGEMENT REPORT

### 7.1. INFORMATION ON COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Amber Grid complies with the Corporate Governance Code for Companies Listed on NASDAQ Vilnius Stock Exchange (available at [www.nasdaqbaltic.com](http://www.nasdaqbaltic.com); hereinafter “the Code”). The Code applies to the extent that the Articles of Association of the Company do not provide otherwise. The Company has disclosed its compliance with the requirements of the Code, and such information is available on the Company’s website at <http://www.ambergrid.lt>, and on the Central Storage Facility at [www.crib.lt](http://www.crib.lt).

### 7.2. ISSUED CAPITAL

The Company’s issued capital amounts to EUR 51,730,929.06. It is divided into 178,382,514 ordinary registered shares with nominal value of EUR 0.29 each. One ordinary registered share with the nominal value of EUR 0.29 gives one vote at the General Meeting of Shareholders. All shares are fully paid up.

There were no changes in the Company’s shareholder structure during 2024. EPSO-G UAB retained its 96.58% shareholding in the Company and was the only shareholder holding more than 5% of the Company’s shares. EPSO-G UAB has a casting vote in the decision-making process at the General Meeting of Shareholders.

### 7.3. SHARES AND SHAREHOLDER RIGHTS

The number of the Company’s shares that entitle their holders to vote at the General Meeting of Shareholders matches the number of shares in issue, which is equal to 178,382,514 shares. All property and non-property rights conferred by the shares of Amber Grid are equal, and none of the Company’s shareholders has special control rights. Pursuant to Article 20 of the Law on Companies of the Republic of Lithuania (hereinafter the “Law on Companies”), only the General Meeting of Shareholders of the Company may take decisions on the issuance of new shares and the purchase of its own shares.

The Company is not aware of any arrangements between shareholders that may restrict the transfer of securities and/or voting rights. There are no restrictions imposed on the voting rights at the Company.

In 2024, the Company did not acquire any own shares and did not enter in any transactions involving the acquisition or disposal of own shares.

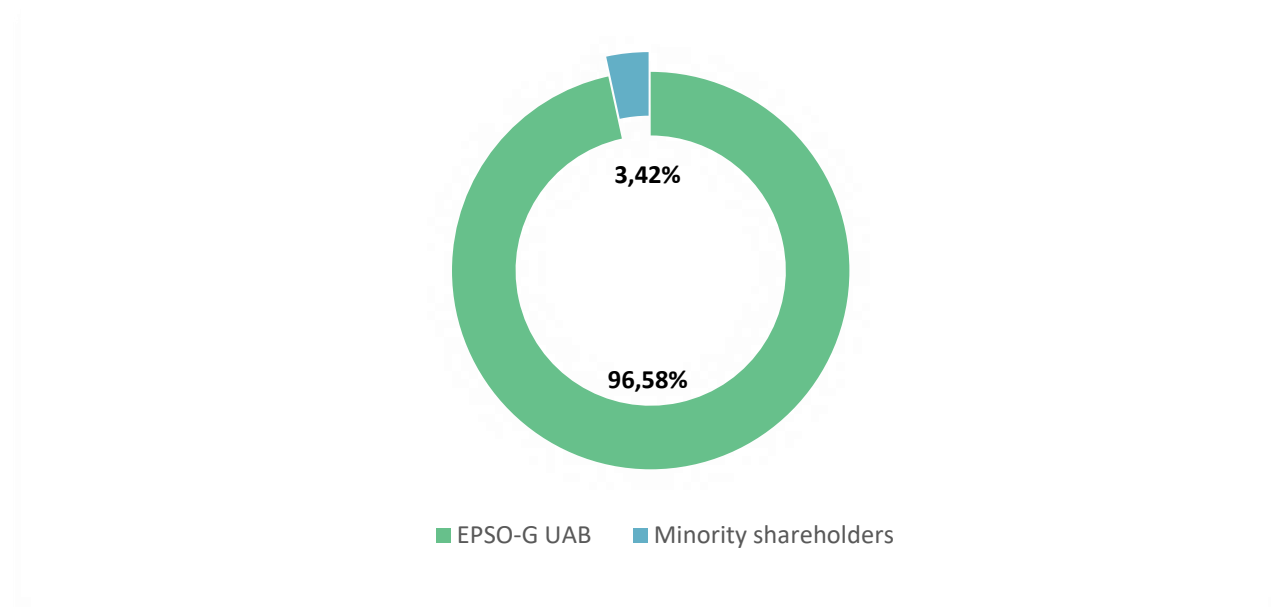
## 7.4. SHAREHOLDERS

As at 31 December 2024, Amber Grid had over 2600 shareholders (Lithuanian and foreign natural and legal persons), whereof 1 (one) shareholder held more than 5% of the Company's shares.

### Shareholders of the Company

Shareholder	Registered office address/company code	Ownership interest, number of shares
EPSO-G UAB	Laisvės ave. 10, Vilnius, Lithuania, 302826889	172,279,125
Minority shareholders		6,103,389
<b>In total:</b>		<b>178,382,514</b>

Fig. 15. Shareholder structure as at 31 December 2024



## 7.5. DATA ON TRADING IN SECURITIES ON REGULATED MARKETS

Since 1 August 2013, the Company's shares have been traded on a regulated market and quoted on the Secondary List of NASDAQ Vilnius Stock Exchange.

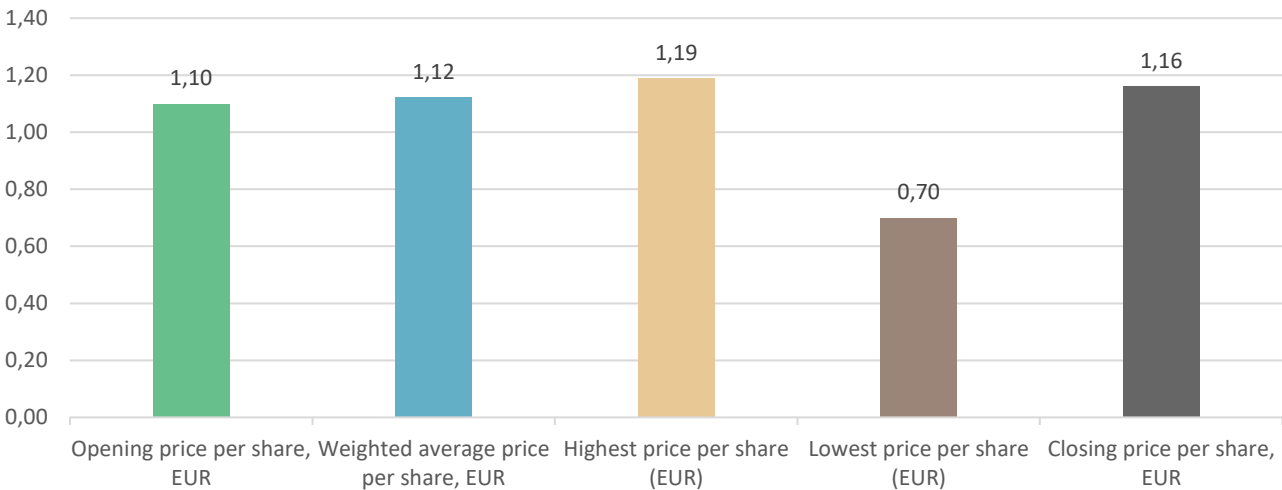
### Main data on Amber Grid's shares

Main data on Amber Grid's shares	
ISIN code	LT0000128696
LEI code	097900BGMP0000061061
Ticker	AMG1L
Issue size (units)	178,382,514

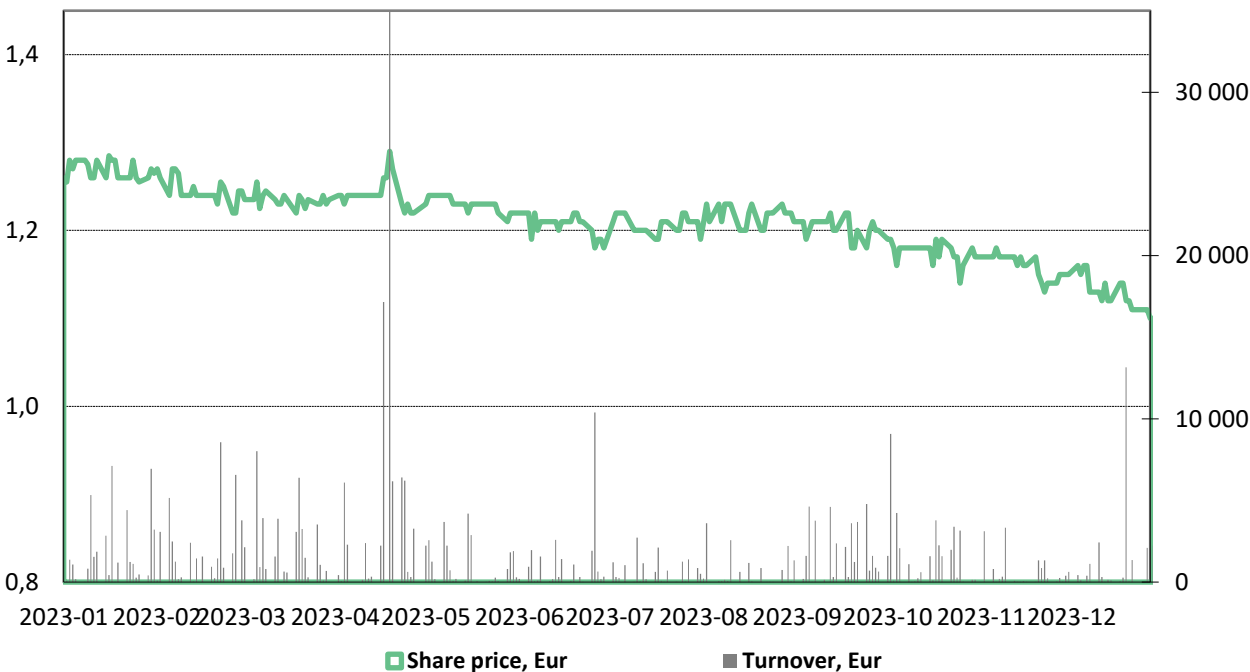
In 2024, the Company's turnover of trading in shares amounted to EUR 0.393 million (2023: EUR 0.410 million), 349,855 shares were transferred by way of transactions (2023: 337,659 shares).

As at 31 December 2024, the Company's share market capitalisation amounted to EUR 206.92 million.

Share price dynamics on NASDAQ Vilnius, 2024



Amber Grid's share price and turnover, 2024



## 7.6. DIVIDENDS



The EPSO-G Group's and Amber Grid's Dividend Policy<sup>2</sup> stipulates uniform rules for estimation, payment and declaration of dividends across all companies of the EPSO-G Group.

The main purpose of the Dividend Policy<sup>3</sup> is to set clear guidelines regarding the expected return on equity for the existing and potential shareholders through sustainable corporate value growth of the Group and its companies, and development of the strategic projects, thereby consistently strengthening trust in the whole group of energy transmission and exchange companies.

On 30 April 2024, the Ordinary General Meeting of Shareholders made the decision to pay out dividends in total amount of EUR 20.17 million or EUR 0.1131 per share.

On 11 April 2023, the Ordinary General Meeting of Shareholders made the decision to pay out dividends in total amount of EUR 12.1 million or EUR 0.0676 per share.

## 7.7. AGREEMENTS WITH INTERMEDIARIES OF PUBLIC TRADING IN SECURITIES

Amber Grid has an agreement with SEB Bankas AB for provision of accounting and related services of the Company's securities.

On 1 May 2024, a new agreement between the Company and AB SEB Bank on dividend payment/distribution to minority shareholders came into force, under which AB SEB Bank calculates and pays dividends to all shareholders of the Company.

### Bank details

Details of AB SEB Bankas	
Company code	112021238
Registered office address	Konstitucijos ave. 24, LT-08105 Vilnius, Lithuania
Phone	+370 5 268 2800
Email	<a href="mailto:info@seb.lt">info@seb.lt</a>
Website	<a href="http://www.seb.lt">www.seb.lt</a>

## 7.8. MANAGEMENT STRUCTURE

The Company's activities are governed by the Law on Companies and the Law on Securities, the Company's Articles of Association, and other legal acts of the Republic of Lithuania. The competence of the General Meeting of Shareholders, the rights of shareholders and their enforcement are defined in the Law on Companies and in the Company's Articles of Association. The Company's Articles of Association are available at:

<https://ambergrid.lt/en/doclib/q0ofcjrstdma13vm5v29pr98tuuskjkjh>

The Articles of Association provide that they may be amended in accordance with the procedure laid down in the Law on Companies.

### The management bodies of the Company specified in the Articles of Association:

<sup>2</sup> The Company's and the Group's Dividend Policy <https://ambergrid.lt/mes/investuotojams/dividendai/605>

- The general meeting of shareholders (hereinafter – the Meeting),
- The Board – a collegial management body,
- The Company's CEO – the single-person management body.

### The General Meeting of Shareholders

The Company's procedure for convening the General Meeting of Shareholder, decision-making process, and the powers of the General Meeting of Shareholders are consistent with those stipulated in the Law on Companies, except for the additional powers of the General Meeting of Shareholders stipulated in Article 25 of the Company's Articles of Association.

**Article 25 of the Articles of Association provides that the General Meeting of Shareholders shall also decide on (additional competence of the Meeting):**

- appointment and removal of the Board members, remuneration of the Board members, conclusion of contracts with the Board members and standard terms and conditions;
- suspension or non-suspension of members of the Board and the adoption of a decision in the event of a conflict of interest between members of the Board, in the cases provided for in Article 48 of the Articles of Association<sup>4</sup>;
- approval of decisions of the Board referred to in Article 36 (iii) to (vii) of the Articles of Association, if the value, price or amount of the transaction concerned exceeds EUR 20,000,000 (twenty million euro), and the decisions referred to in Article 36 (viii) to (ix) of the Articles of Association<sup>5</sup>.

### Board

The Articles of Association of Amber Grid stipulate that the Company's Board consists of five members appointed by the General Meeting of Shareholders for a term of four years. Two members of the Board shall be independent members. A continuous term of office of a Board member shall be no longer than two consecutive terms of office and, in any case, may not hold the Board member's position for more than 10 (ten) consecutive years.

The selection of the Board members shall be carried out in accordance with the Description of the Procedure for the Selection of Candidates to the Collegial Supervisory Body or Management Body of Municipal Enterprise, State or Municipal Company or Subsidiary approved by Resolution No 631 of 17 June 2015 of the Government of the Republic of Lithuania.

The powers of the Board of the Company are consistent with those stipulated in the Law on Companies, except for the additional powers stipulated in Articles 34–41 and Article 43 of the Articles of Association.

Additional powers of the Board encompass approval of the fundamental documents of the Company (strategy, annual performance targets, budget, etc.), determination of employment terms and conditions of the Company's CEO, determination of prices for gas transmission services and other regulated services, approval of disposal of the Company's assets, conclusion of material transactions stipulated in the Articles of Association.

**The Board of the Company also fulfils the following supervisory functions:**

- approves or opposes the conclusion of related party transactions, considering the opinion of AC;
- approves the description of the procedure and conditions for the valuation of transactions with related parties concluded on an arm's length basis in the ordinary course of business, as provided for in the Law on Companies;
- supervises the performance of CEO, provides feedback and proposals to the Meeting on CEO's performance;
- considers whether CEO is fit to hold the office in case the Company is operating at a loss;

- proposes to CEO to revoke his decisions that are contrary to laws and regulations, the Articles of Association, decisions of the Meeting or the Board;
- decides on other matters pertaining to supervision of activities of the Company and the Company's CEO that are assigned to the authority of the Board under the Articles of Association or by the decision of the Meeting.

<sup>4</sup> If the Board is unable to take a decision which is also related (directly or indirectly) to personal interests of the Board member concerned, because no Board member can vote on the matter due to a conflict of interest, the General Meeting of Shareholders shall take the relevant decision.

<sup>536.</sup> (iii) the acquisition of fixed assets for a price exceeding EUR 2,000,000 (two million euro) (if the price exceeds EUR 20,000,000 (twenty million euro); (iv) the investment, disposal, lease of the Company's assets with a carrying amount exceeding EUR 2,000,000 (two million euro) (calculated separately for each type of transaction) (if the value exceeds EUR 20,000,000 (twenty million euro), the Meeting's approval is required); (v) pledging or mortgaging (calculated on the aggregate amount of transactions) of the Company's assets with a carrying amount exceeding EUR 2,000,000 (two million euro) (if the value exceeds EUR 20,000,000 (twenty million euro), the Meeting's approval shall be required); (vi) guaranteeing or indemnifying the performance of other persons' obligations in the amount of more than EUR 2,000,000 (two million euro) (if the value exceeds EUR 20,000,000 (twenty million euro); (vii) enter into any other transactions / agreements (not mentioned in separate articles of the Articles of Association) on the basis of which the Company acquires goods, services, works, the value of which, in a specific monetary expression, exceeds EUR 2,000,000 (two million euro) (if the value exceeds EUR 20,000,000 (twenty million euro); (viii) on the transfer, pledge, change of legal status or encumbrance of disposal of the Company's assets included in the list of objects and assets of importance to ensuring national security provided for in the Law of the Republic of Lithuania on Protection of Objects of Importance to Ensuring National Security, if the value of the said objects exceeds 1/20 of the Company's authorised capital; (ix) the transfer of shares or other encumbrances on the disposal of shares or the rights conferred by such shares or other encumbrances on the disposal of the objects referred to in point (viii) of this Article, the increase or decrease of the authorised capital of such companies or any other action that may change the structure of the authorised capital of such companies (e.g., the issue of convertible bonds), and decisions on the reorganisation, spin-off, restructuring, liquidation, restructuring or any other action which changes the legal status of the undertakings referred to in this point.

#### Information on Amber Grid's Board members, CEO and Chief Accountant

Full name	Position	Term of office	Other positions held	Shares held in Amber Grid	Qualification <sup>[1]</sup>
<b>Dalius Svetulevičius</b>	Chairman of the Board	Board member since 20/04/2022 (elected on 20/04/2022) Since 22/11/2022 elected Chairman of the Board. The term of office ended on 20/04/2024	EPSO-G UAB, Technical Manager	None	Kaunas University of Technology, Bachelor in Electrical Engineering; Master in Measurement Engineering; Vilnius University, Master in Management and Business Administration
<b>Karolis Švaikauskas</b>	Board member	Since 20/04/2020 (elected on 20/04/2022) Term of office ended on 20/04/2024 Re-elected to the Board on 30/04/2024	Head of the Group for Competition in Energy Sector, Ministry of Energy	None	Vytautas Magnus University, Bachelor in History, Master in Political Science and Baltic Studies; Humboldt University of Berlin, Scandinavian and North European Studies
<b>Ignas Degutis</b>	Independent member of the Board	Since 20/04/2020 Term of office ended on 20/04/2024	CFO, RB Rail AS (Rail Baltica)	None	ISM University of Management and Economics, Master in Economics; Baltic Institute of Corporate Governance, Education Programmes for Council/Board Members and Chairs
<b>Sigitas Žutautas</b>	Independent member of the Board	Since 20/04/2020 Term of office ended on 20/04/2024	Council member, the Faculty of Economics and Business Administration, Vilnius University	None	Vilnius University, Master in Business Management and Administration; ESMT European School of Management and Technology, Berlin, Post-graduate Studies

<b>Paulius Butkus</b>	Chairman of the Board	From 11/04/2023 to 20/04/2024 – Member of the Board  Elected for a new term of office on 30/04/2024 Chair of the Board from 10/05/2024	Head of Development and Innovation at EPSO-G UAB	None	Vilnius University, Bachelor in Nuclear Physics; Vilnius Gediminas Technical University, Master in Electrical Engineering and PhD in Electrical and Electronic Engineering.
<b>Peter Loof Helth</b>	Board member	Since 30/04/2024		None	Master's degree in Mathematics and Economics; Copenhagen Business School Executive Leadership Studies
<b>Darius Kašauskas</b>	Board member	Since 30/04/2024	Head of Finance at the EPSO-G Group	None	Master's degree in Economics, Vilnius University; ISM University of Management and Economics and BI Norwegian Business School, Master's degree in Management and PhD in Economics in Social Sciences.
<b>Alexander Feindt</b>	Board member	Since 30/04/2024	NeuConnect Head of Regulatory Affairs	None	University of Konstanz, Master's degree in Politics and Management.
<b>Nemunas Biknius</b>	Company's CEO	Since 08/04/2020	Chairman of Supervisory Council, Klaipėda State Seaport Authority	Holds 0.001055 % of shares in Amber Grid	Vilnius Gediminas Technical University, Master in Energy and Thermal Engineering; Aalborg University, Denmark, Environmental Management Studies; ISM MBA Management Studies
<b>Rasa Baltaragienė</b>	Head of Accounting Department	Since 02/12/2019	-	None	

The Board held 16 meetings in 2024.

#### Attendance at the Board meetings in 2024:

- Attended
- Absent

#### Statistics of attendance at the Board meetings of Amber Grid

No	Meeting date	Dalius Svetulevičius	Karolis Švaikauskas	Sigitas Žutautas	Ignas Degutis	Paulius Butkus	Alexander Feindt	Darius Kašauskas	Peter Loof Helth
1	Jan 11	●	●	●	●	●	Not yet elected	Not yet elected	Not yet elected
2	Jan 30	●	●	●	●	●	Not yet elected	Not yet elected	Not yet elected

No	Meeting date	Dalius Svetulevičius	Karolis Švaikauskas	Sigitas Žutautas	Ignas Degutis	Paulius Butkus	Alexander Feindt	Darius Kašauskas	Peter Loof Helth
3	29 February	●	●	●	●	●	Not yet elected	Not yet elected	Not yet elected
4	19 March	●	●	●	●	●	Not yet elected	Not yet elected	Not yet elected
5	27 March (extraordinary)	●	●	●	●	●	Not yet elected	Not yet elected	Not yet elected
6	10 May	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
7	20 May (extraordinary)	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
8	28 May	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
9	18 June	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
10	July 23	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
11	August 27	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
12	September 13 (not ordinary)	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
13	September 26	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
14	October 25	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
15	November 12	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●
16	December 10	Not yet elected	●	Not yet elected	Not yet elected	●	●	●	●

### Key decisions of the Board in 2024:

01

January

On 11<sup>th</sup> January, the updated strategy of Amber Grid for 2021-2030 and the budget for 2024 was approved, also setting the objectives for the Company's CEO for 2024.



**On 29<sup>th</sup> of January**, the working conditions of the Company's CEO were defined and the achievement of the objectives of the CEO of 2023 was assessed.

02

February

**On 27<sup>th</sup> of February**, the new version of the list of compliance priority areas was approved, also adopting a decision on voting at the General Meeting of Shareholders of GET Baltic, a decision on the review of the evaluation of the performance of the Company's CEO, his/hers motivation and remuneration procedure, approving the Report on the Implementation of the Company's Strategy for 2021-2030, the Annual Report, as well as the set of annual financial statements of Amber Grid, and approving the draft profit distribution and the submission of proposals and feedback to the General Meeting of Shareholders.

04

April

**On 30<sup>th</sup> of April**, Amber Grid's Ordinary General Meeting of Shareholders was convened, and Board of Amber Grid was approved. Paulius Butkus, Darius Kašauskas, Karolis Švaikauskas, Alexander Feindt and Peter Loof Helth were elected as members of the Board of Amber Grid. Amber Grid's set of consolidated and the Company's financial statements for 2023. Allocation of Amber Grid's profit for 2023 was approved. Amber Grid's Remuneration report for 2023 was approved. The new Remuneration Policy for the Chief Executive Officer and members of the Board was approved. An updated standard contract for the Board members to serve on the Amber Grid's Board was approved. Amber Grid's remuneration levels and the Board's operating budget for 2024 and subsequent years were set. Approval of the new version of Articles of Association.

05

May

**On 10<sup>th</sup> of May**, Paulius Butkus was elected the Chair of the Board, also confirming independence of the Board members.

**On 20<sup>th</sup> of May**, Amber Grid's gas transmission service prices for 2025 were approved.

**On 28<sup>th</sup> of May**, approval was given to the conclusion of the Asset Management Information System Development Services and Hosting Services contracts, also approving their key terms and conditions. The provision of humanitarian aid to Ukraine was approved and a decision was made to convene an Extraordinary General Meeting of Shareholders.

06

June

**On 18<sup>th</sup> of June**, the granting of support to Vilnius Gediminas Technical University and Panevėžys University of Applied Sciences was approved. The draft Amber Grid's ten-year (2024-2033) natural gas transmission network development plan was approved.

**On 18<sup>th</sup> of June**, an Extraordinary General Meeting of Shareholders of Amber Grid was convened, also making a decision to conclude a humanitarian aid agreement.

07

July

**On 23<sup>rd</sup> of July**, the decision was made to authorise the Company's CEO Nemunas Biknis to vote at the Extraordinary General Meeting of Shareholders of GET Baltic UAB. The updated structure of the Company was approved, with effect from 1 September 2024.

08

August

**On 27<sup>th</sup> of August**, the cash-pool agreement between Amber Grid and EPSO-G was terminated, and a new cash-pool agreement was concluded and new material terms and conditions were approved.

09

September

**On 13<sup>th</sup> of September**, the decision was made on the settlement agreement with SOLIRIS UAB.

**On 26<sup>th</sup> of September**, the provision of financial support to state enterprise Memorabilis and humanitarian aid to Ukraine was approved and a decision was made to convene an Extraordinary General Meeting of Shareholders. New prices for Amber Grid's natural gas transmission services in 2025, applicable at the entry and exit points of Kiemenai, were approved.

10

October

**On 18<sup>th</sup> of October**, an Extraordinary General Meeting of Shareholders of Amber Grid was convened, also making a decision to conclude a humanitarian aid agreement.

**On 25<sup>th</sup> of October**, approval was given to the amendment of some material terms of the holding management services agreement.

11

November

**On 12<sup>th</sup> of November**, Amber Grid's Board meeting calendar and Action Plan for 2025 was approved. Decision was made to conclude the works contract for the Reconstruction of the Elektrėnai Gas Distribution Station with MT Group UAB, and Physical and Technical Security Services Contract with EUROCASH1 AB. A draft of Amber Grid's new operational strategy to 2035 was approved.

12

December

**On 10<sup>th</sup> of December**, EPSO-G's risk appetite was determined and the plan of risk management measures for 2025 was approved. New monthly remuneration bands for Amber Grid's employees were approved and applied from 2025.

In line with the guidelines for the annual performance evaluation of the Group's collegiate bodies approved by EPSO-G Remuneration and Nomination Committee, at the beginning of 2025 the Board of the Company carried out an evaluation of its performance for 2024, and discussed the aspects of the implementation of the action plan drawn up for 2024. The summarised evaluations of each of the members of the Board were discussed at the Board performance evaluation session, which identified areas for improvement and set out the directions to be taken to improve the business processes, drawing up an action plan for 2025, which agreed on a focus on defence, optimisation of the Board's work and the training of the Board members, and improvement of the sharing of information between the UAB EPSO-G Group and the members of the Board.

Based on the Company's Articles of Association, the Audit Committee's functions at Amber Grid are fulfilled by the Audit Committee of the parent company EPSO-G UAB.

#### **Amber Grid has the following committees acting jointly within the EPSO-G Group:**

- Remuneration and Nomination Committee
- Audit Committee

#### **Detailed information on Amber Grid's committees is accessible via following links:**

- <https://www.epsog.lt/lt/apie-mus/valdymas/atlygio-ir-skyrimo-komitetas>
- <https://www.epsog.lt/lt/apie-mus/valdymas/audito-komitetas>
- <https://www.epsog.lt/lt/apie-mus/valdymas/vidaus-auditas-1>

To ensure transparency and efficiency of its operations, the EPSO-G Group has implemented a centralised internal audit system. It means that the internal audit unit fulfils the assigned functions at the Group level, and is directly accountable to the Board of EPSO-G UAB, the majority of which are independent members. The auditors of EPSO-G UAB are not subordinate to the administration personnel of the auditee.

<sup>[1]</sup> Information on the professional experience of the members of the Board, the Company's CEO and other senior executives is available at (in Lithuanian) <https://ambergrid.lt/mes/amber-grid/vadovybe/3>

## Audit of the financial statements

On 30 August 2023, the General Meeting of Shareholders selected PricewaterhouseCoopers UAB as the audit company that will perform the audit of the financial statements for the period of 2023-2025. The remuneration for the audit of the Company's financial statements was set of no more than EUR 432.9 thousand.

PricewaterhouseCoopers UAB conducted audit of the Company's and its subsidiaries' annual financial statements (including regulated activity verification) for the year ended 31 December 2024 and 2023.

The fee for the audit services of PricewaterhouseCoopers UAB for the years ended 31 December 2023 was EUR 77 thousand.

The fee for the audit services of PricewaterhouseCoopers UAB for the years ended 31 December 2024 was EUR 75 thousand.

In 2024 and 2023, the non-audit services (regulated activity verification and other services) provided to the Company by PricewaterhouseCoopers UAB amounted to EUR 17 thousand each year.

## Remuneration management

On 25 October 2022, Amber Grid joined the updated EPSO-G Group Employee Remuneration, Performance Appraisal and Self-development Policy (hereinafter the "Policy"), which applies to all employees of the Company and is available on the Company's website. The Policy is approved/joined by decision of the Company's Board considering the recommendations of the EPSO-G Remuneration and Nomination Committee. The Remuneration and Nomination Committee of EPSO-G periodically evaluates the provisions of the remuneration policy, its effectiveness, implementation, and application. The aim of the policy is to manage remuneration costs in an efficient, clear, and transparent way and, at the same time, to create motivational incentives and to encourage staff to perform better, to contribute more actively to the achievement of objectives, to go beyond the formal performance of their duties, to develop innovative, out-of-the-box solutions, and to improve performance.

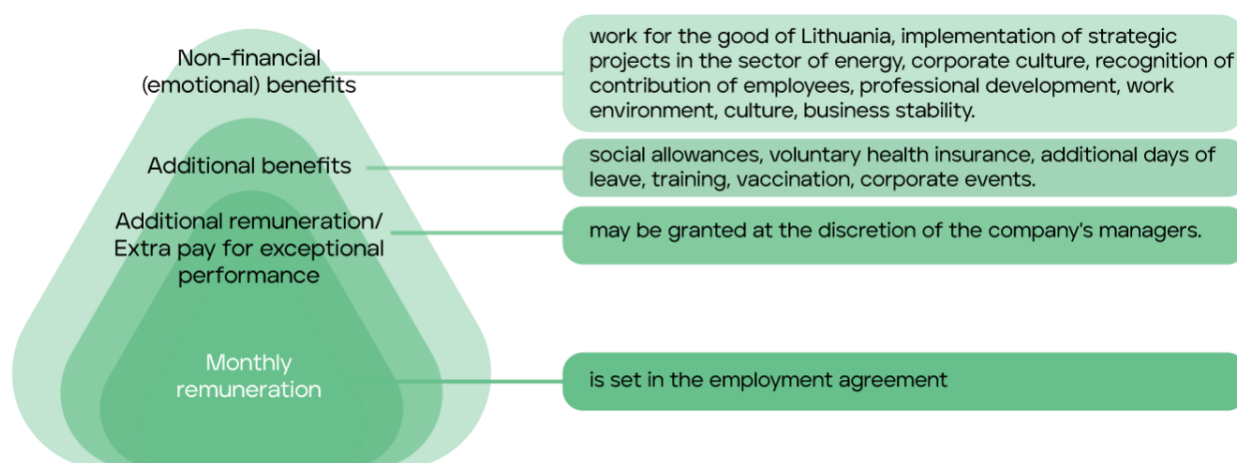
The remuneration of EPSO-G Group employees consists of the following components: monthly remuneration; fringe benefits provided for in the Labour Code of the Republic of Lithuania, internal regulations and collective agreements of the Companies; financial incentives; project incentives; one-off bonuses for exceptional performance and innovation; fringe benefits; non-financial remuneration.

Fig 18. Remuneration structure

### Components of remuneration

Monthly remuneration is the largest and most important part of the monetary remuneration, which depends on the level of the post, determined for each post according to a methodology used in international practice. The monthly remuneration of staff members is set within the limits of the remuneration scales for the grade of the post concerned, taking into account the staff member's experience, competence, level of expertise and independence in performing the functions assigned to the post, and the remuneration budget for the relevant year.

Financial incentives are determined by reference to the following standard criteria for assessing the employee's performance: the results of the assessment of the employee's achievement of his/her objectives, the assessment of the employee's values, the results of the assessment of the employee's quality of performance. Financial incentives for the Company's CEO are allocated by the Board of the Company, and for other employees – by the Company's CEO. The financial incentive is paid once a year when the Board of the Company approves the audited financial results of the Company and when they are confirmed by the resolution of the General Meeting of Shareholders.



A one-off bonus for exceptional performance may be payable by the decision of the Company's CEO. For the purpose of maintaining continuous progress, different incentives may be payable to encourage innovation initiatives across the EPSO-G UAB Group. Such incentives may be payable for innovation-driven approach and creativity of employees as they present their innovative ideas.

Amber Grid's average remuneration by category of employees in 2024 (EUR/month):

Groups of job positions	2024	2023
Company's CEO	14,137	15,612
Top-level managers	9,458	9,906
Middle and first-level managers	5,107	5,060
Expert professionals	3,270	3,171
Workers	1,965	1,768
<b>Total:</b>	<b>3,228</b>	<b>3,078</b>
<b>Total annual wage guarantee fund, EUR thousand</b>	<b>14,652</b>	<b>13,755</b>

## Remuneration policy for members of collegial management bodies and CEO

On 20 April 2020, the General Meeting of Shareholders of the Company approved the Remuneration Policy for CEO and Board Members of Amber Grid (the updated policy was approved by decision of the Company's General Meeting of Shareholders of 30 April 2024)<sup>[1]</sup> aimed at establishing common, clear and transparent principles of monetary reward for work of the Company's CEO and Board members and the remuneration system based on these principles in order to effectively manage the Company's operating costs and to create motivational incentives for the CEO and Board members to contribute to the achievement of the Company's mission, vision, values and objectives.

The principles of remuneration of members of the Company's management bodies are also regulated by the Guidelines for determining the remuneration of members of the management bodies of the EPSO-G Group companies approved by a decision of the sole shareholder of EPSO-G.

When determining the remuneration for the management bodies, the Company follows a principle that the size of the remuneration and its payment procedure should: promote creation of a long-term and sustainable corporate value of the Company and the entire EPSO-G Group; match the workload of individual bodies of the Company and their individual members; reflect as much as possible the actual situation in the market, i.e. it has to be competitive in terms of the work pay offered in the market for the professionals in the respective fields; ensure remuneration for responsibility undertaken by the management bodies; ensure independence of the independent Board members; encourage attraction of high-level professionals from the respective areas to join the Company's management.

Remuneration for the functions fulfilled in the Company's Board may be payable only to those Board members of the Company who meet the criteria set forth in the effective legal acts of the Republic of Lithuania and the Guidelines for Determining the Remuneration for Fulfilment of Functions in the Bodies of EPSO-G UAB and the EPSO-G UAB Group.

By decision of the Extraordinary General Meeting of Shareholders of 30 April 2024, the following fixed monthly remunerations, before tax, were fixed as from the date of adoption of the decision of the General Meeting of Shareholders:

### Monthly fixed remuneration before tax

Job position	Monthly fixed pay component (EUR)
Chairman of the Board (independent)	4600
Member of the Board (independent)	3500
Member of the Board (civil servant), if the civil servant <u>neither holds the position nor engages</u> in activities of the collegial body of another SE/SOE and/or ME/MOE <sup>4</sup>	2800
Member of the Board (civil servant), if the civil servant <u>holds the position and engages</u> in activities of the collegial body of another SE/SOE and/or ME/MOE	1800

In addition, by the said decision of the General Meeting of Shareholders of 30 April 2024, the total annual budget for 2024 for the remuneration of the Company's Board members and additional expenses to ensure activities of the Board were set at EUR 129.4 thousand.

<sup>4</sup> SE - state enterprise, SOE - state-owned enterprise, ME - municipal enterprise, MOE - municipality-owned enterprise



The tables below present information on remuneration of the members of the management bodies, and annual changes in the remuneration amounts:

#### Remuneration of the Company's CEO

Position	Full name	Date of appointment	Components of remuneration	Gross wage (EUR)					
				2019	2020	2021	2022	2023	2024
Company's CEO	Nemunas Biknius	October 2019	Total, EUR	20,075	117,192	148,586	159,410	188,090	169,649
			Variable component, EUR	-	4,581	33,488	38,603	55,462	23,000
			Variable component, %	-	4%	23%	24%	29%	14%

The amounts of the remuneration paid to the Company's CEO were in line with the Remuneration Policy, and the variable remuneration component was paid based on the implementation of the annual objectives of the Company set by the Board.

The Company's CEO do not receive a remuneration based on shares of the Company.

#### Remuneration of Board members

Position	Full name	Remuneration for work in the Board (EUR)						
		2018	2019	2020	2021	2022	2023	2024
Member of the Board since 20/04/2022, Chairman of the Board since 22/11/2022 Term of office ended on 20/04/2024	Dalius Svetulevičius	-	-	-	-	-	-	-
Board member. Re-elected to the Board from 30/04/2024. Chair of the Board from 10/05/2024	Paulius Butkus	-	-	-	-	-	-	-
Independent member of the Board. Term of office ended on 20/04/2024	Ignas Degutis	-	-	11,713	16,800	17,278	36,876	11,268
Independent member of the Board. Term of office ended on 20/04/2024	Sigitas Žutautas	3,850	14,125	21,000	30,535	30,078	36,876	11,268
Board member	Karolis Švaikauskas	-	-	-	-	439	18,432	20,118

Term of office ended on 20/04/2024 Re-elected to the Board on 30/04/2024								
Member of the Board from 30/04/2024	Peter Loof Helth							28,167
Member of the Board from 30/04/2024	Darius Kašauskas	-	-	-	-	-	-	-
Member of the Board from 30/04/2024	Alexander Feindt							28,167

A fixed monthly salary paid to the Board members of the Company is not depend on the financial or non-financial performance of the Company. No variable component or other bonuses are paid to the Board members of the Company. The Board members of the Company also do not receive any share-based payment awarding shares of the Company

[1] The Policy is available on the Company's website at [www.ambergrid.it](http://www.ambergrid.it)

## Compliance Management in 2024

Amber Grid has Compliance Management System, designed to:

1. protect the Company from financial or reputational damage that may result from behaviour that does not meet internal and external requirements;
2. manage the risks of non-compliance and mitigate their impact and likelihood of occurrence;
3. promote a culture of compliance, i. e. encourage employees to work in accordance with the set requirements and to justify their application on the Group's values.

The Company's compliance is based on the Three Lines Principle and principle governing the use of the risk-based approach. In 2024, the Company focused their compliance activities on the following high-risk compliance priority areas:

### Personal Data Protection

Ensuring monitoring of personal data protection legislation, management of personal data security incidents, provision of consultations, assessment and coordination of personal data processing agreements, updating of the Company's activity records, legitimate interest assessments, etc. The Description of Personal Data Security Incident Management is approved. Data Security Memo is prepared for employees working with Artificial Intelligence (AI) applications. All Company's employees received practical training on the use of AI while ensuring safe use of data, and training on Personal Data Protection (144 employees attended the training).

### Compliance with sustainability requirements

An action plan for the sustainability compliance priority area for 2024 has been developed. A list of key legislation relevant to sustainability has been drawn up and is included in the Company's monitoring of legislation.

### Operation/Materials Control

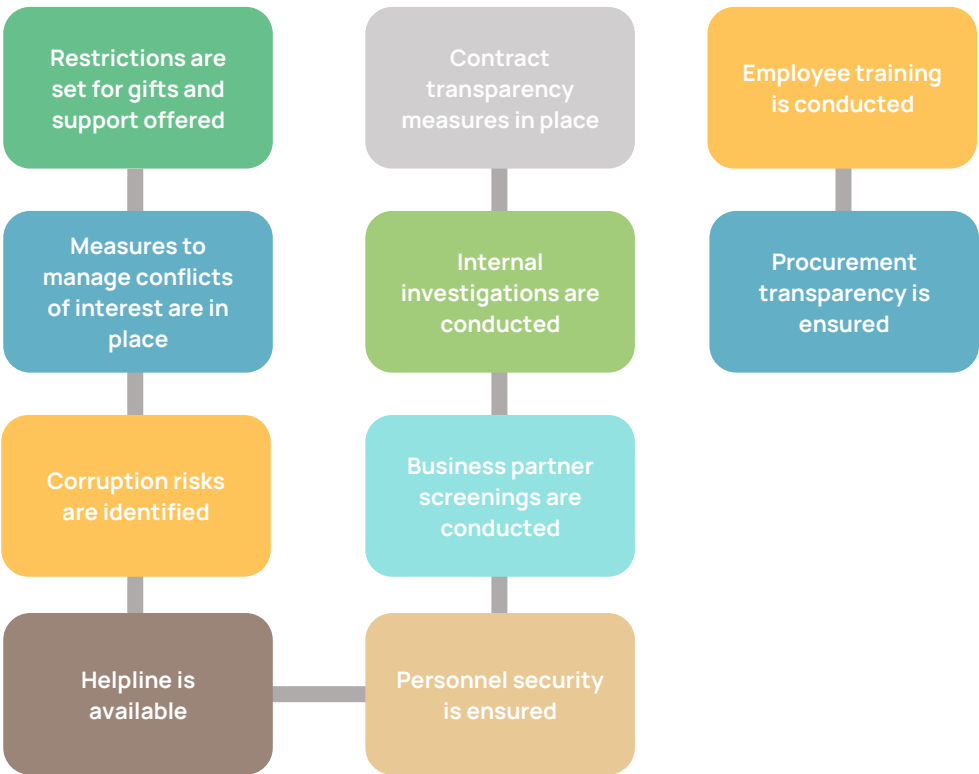
In 2024, the Company developed and approved the Description of Control on Bringing Materials and Equipment into Operation. Identification and assessment of the likelihood of corruption has been carried out and a conclusion on the 'Control of Materials Input During Construction Works for Amber Grid' has been issued. Employees received continuing training (technicians) on 'Changes in the Law on Construction 2023-2024'.

To improve compliance management, in 2024, with the joint efforts of the Group companies, the Compliance Management Methodology was updated, the key compliance management indicators were defined and the compliance management maturity assessment methodology was established. The methodology guided the compliance management maturity assessment of Amber Grid AB during the reporting period. In view of the outcome of this assessment and the drive for a higher level of maturity, the Company's strategy priorities, shareholder expectations and regulatory developments, the Group has, for the first time, the Compliance Management Framework 2025-2027 was established at the Group level, outlining the key priorities and directions for these activities over a three-year period. To promote a culture of compliance, as it was every year, we communicated with employees on external and internal regulatory requirements, organised training, and encouraged to report non-compliance.

In 2024, no significant non-compliance issues were identified in Amber Grid.

**Anti-corruption activities and conflict of interest management**

Amber Group's business decisions are guided by the principles of objectivity, impartiality, transparency, accountability and the rule of law, combined with the zero tolerance to corruption or any other forms and manifestations thereof. With the aim to build a transparent and trust-based Company, we continuously assess and implement measures to manage corruption risks. The Company's anti-corruption activities are based on the international standard ISO 37001:2016 Anti-bribery management systems – Requirements with guidance for use, as well as the following measures implemented in the Company:



In 2024, an international management accreditation body issued certificates to three of the Group's companies, Litgrid, Amber Grid and EPSO-G, confirming their anti-corruption management systems compliance with the standard requirements. It demonstrates the ability of companies to prevent corruption risks, build trust in the supply chain and protect their reputation through tangible and organised measures.

Corruption risk assessment is carried out in the Company on annual basis in accordance with the Group's Risk Management Policy and methodology, and the status of implementation of the measures identified to manage corruption risk is assessed on quarterly basis. To better manage third-party corruption risk, in 2024, together with other Group companies, we developed a business partner screening system, defining procedures for assessing risks related to business partners.

Anti-corruption education of employees is an important part of our Company's anti-corruption activities, delivered in various forms: training sessions for external or in-house coaches, specialised e-trainings on 'Conflicts of Interest' and 'Public Procurement' on e-training platform of Special Investigation Service (58 employees), and communication messages on the current anti-corruption related issues. To ensure consistent anti-corruption awareness-rising among employees, we developed an interactive mandatory anti-corruption training in 2024. As of 2025, all employees of the Company will be required to complete the training, which will also be included in the set of mandatory trainings for newcomers. We also built competences of our anti-corruption experts by inviting guest speakers to give a talk on practical topics of conflict of interest management.

On 9-12 December 2024, Amber Grid organised an Anti-Corruption Week, during which employees were actively involved in various discussions, training sessions and a survey. A corruption tolerance survey was conducted among the Company's employees to determine employees' approach to corruption and to identify aspects of anti-corruption requiring improvement. The survey was updated with new questions and a new title, which is Anti-Corruption Culture Survey. The employees' participation rate remained similar to recent years (120 in 2024, 119 in 2023). The answers to the main survey questions are positive for several consecutive years: percentage of employees who have not encountered any forms corruption in their work (98% in 2024, 98% in 2023, and 97% in 2022), percentage of employees who know where to go to report a case of corruption (95% in 2024, 98% in 2023, and 97% in 2022). The new survey questions (knowledge about withdrawal in the event of a conflict of interest, actions after receiving a gift, etc.) provided new indications in terms of raising anti-corruption awareness.

Key anti-corruption indicators:

2022-2024: no any cases of corruption identified; no any corruption-related cases filed against the Company/employees; no any corruption cases identified due to which contracts with business partners are not concluded.

The Company has Helpline – [sauga@ambergrid.lt](mailto:sauga@ambergrid.lt). Reports can also be submitted via the Group's Trust line – [pranesk@epsog.lt](mailto:pranesk@epsog.lt).

The Company's employees and other stakeholders can directly or anonymously report, without fear of negative consequences, via Helpline [sauga@ambergrid.lt](mailto:sauga@ambergrid.lt), by phone +37061270606, by mail – to the Company's registered office at Laisvės ave. 10, Vilnius, may report suspected violations, unethical or unfair behaviour to the designated person or to other employees of Prevention Department. No reports related to manifestations of corruption were received in 2024.

## Management of Conflicts of Interest

The Company's governance framework promotes avoidance of conflicts of interest among and members of collegial bodies, and ensures a transparent and an effective conflict of interest disclosure mechanism.

The Company has an integrated model for the declaration of private interests as defined in the Policy of Management of Interests of Employees and Members of Collegial Bodies. It requires to disclose all private interests of the Company's employees and members of the collegiate bodies in an internal declaration form prescribed by the Group, and, when applicable to the job position and functions, in PINREG, the register of private interests.

Amber Grid implements active monitoring, control and supervision of private interests: assessing potential conflict of interest situations during the job application process, reviewing and analysing declarations, recommending on potential conflicts of interest management and actions and/or decisions requiring refraining.

As part of the implementation of the Policy of Management of Interests of Employees and Members of Collegial Bodies, and to ensure the proper functioning of the conflict of interest framework, the legislation governing the management of interests in Amber Grid was developed and adopted in 2024, defining the procedures for declaring, and refraining, removing, monitoring, supervising and controlling in the context of private interests.

The Company's anti-corruption activities are targeted to managing corruption risks in Lithuania and abroad. The Company's employees cooperating with foreign officials or officials acting in foreign countries shall be guided in their activities by the principles set in the Anti-Corruption Policy, including the principle of zero tolerance to corruption.

In 2024, no cases of bribery of officials in international business transactions, corruption or other corruption manifestations abroad or in Lithuania were detected in EPSO-G and its subsidiaries.

**At the end of the reporting period:**

- The members of the collegial management bodies, administrative staff and the Group companies' CEOs have not acquired any shares in EPSO-G group companies, except for Nemunas Biknius, CEO of Amber Grid, who holds 0.001055% of shares in Amber Grid. His shareholding remained unchanged during the reporting period.
- The declarations of interests of all members of the collegial management bodies, members of the Board and the Company's CEO, are submitted and published in the Register of Private Interests (PINREG), on the website of the Chief Official Ethics Commission (COEC) and at [www.epsog.lt](http://www.epsog.lt). All CEO's of EPSO-G Group companies have submitted declarations of interest to the holding company to the extent and according to the procedure set out in the Group's Policy of Management of Interests of Employees and Members of Collegial Bodies, which is available at [www.epsog.lt](http://www.epsog.lt) in the menu item "Operating Policies".
- No any conflicts of interest among members of the collegial management bodies and the Group companies' CEOs.
- Members of the collegial management bodies and Group companies' CEOs have not been convicted of any criminal offence, have not been subject to any indictment or sanction by any regulatory authority in the last five years, have not been barred by a court from holding any office as a member of the Company's administrative, management or supervisory bodies of the Company or from holding any managerial position or from managing the affairs of any issuer.
- EPSO-G, Amber Grid has not entered into any transactions with the above-mentioned persons which are outside the operating activities of the Company or which have not been duly notified to and authorised by EPSO-G, Amber Grid's collegiate management bodies.



# 8. INFORMATION ON SUSTAINABILITY MATTERS

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## 8.1. ABOUT THIS REPORT

### BP-1 – GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENTS

This section presents the company's Amber Grid (the "Company" or Amber Grid) sustainability information (the "Sustainability Report") for 2024.

This report is not yet subject to the provisions of the Corporate Sustainability Reporting Directive (CSRD) requirements – it has been developed voluntarily to maximise its compliance with the European Sustainability Reporting Standards (ESRS). The Company will fully comply with ESRS starting from the 2025 reporting period when the sustainability report is prepared according to all applicable requirements and is subject to an external independent audit.

The Company is a member of the EPSO-G group of companies (the "Group" or "EPSO-G"). Therefore, its sustainability information is also included in the Group's consolidated sustainability report for 2024, which complies with the ESRS requirements and has been verified by an external independent auditor.

The Sustainability Report presents the Company's achievements and goals in the environmental, social and governance areas (ESG). The information provided covers all of the Company's direct activities and its value chain. The Sustainability Report is prepared in cooperation with external sustainability reporting experts to ensure quality and comprehensiveness. The report is published as part of the annual Management Report.

The Company has not used the option to omit specific information corresponding to intellectual property, know-how, or the results of innovation or other confidential and sensitive information, as outlined in ESRS standard, part 1 (ESRS 1).

According to Appendix C of ESRS 1, certain disclosure requirements or datapoints of disclosure requirements in ESRS may be omitted in the first year(s) of preparation of the sustainability statement under the ESRS (for the Company – for the reporting year 2025). Therefore, in this report, the Company does not disclose information under disclosure requirements SBM-1 40.b. and 40.c., SBM-3 48.e., E1-9, E2-6, E5-3, E4-6, and E5-6, to which this phase-in provision applies.

### BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

For the purposes of this report, the Company uses the ESRS definitions of short-, medium- and long-term: short-term – up to 1 year, medium-term – 2 to 4 years and long-term – more than 5 years. This time perspective is consistent with the periods used by the Group to ensure consistency across the Group.

In addition to the information required by the ESRS, the Company includes tables with key performance indicators of the EU Taxonomy in its Sustainability Report based on the templates of Commission Delegated Regulation (EU) 2021/2178.

For this reporting period, the Company applied the ESRS standard for the first time, ensuring that all disclosures were presented in compliance with ESRS requirements. The disclosed indicators include comparative information for the previous reporting periods of 2021–2023, except for GHG indicators, for which information is provided from the base year (2019).

The methodology used to calculate Scope 3 GHG emissions is detailed in the *E1 Climate Change* chapter. No other value chain indicators covering upstream/downstream value chain data are included in the report.

In 2024, based on updated emission factors and a refined natural gas calculation methodology, the baseline Scope 1 and 2 GHG emissions for 2019 were recalculated (rebaselining). To ensure data comparability and accurately track the progress of the Group's companies, similar recalculations were performed for GHG emissions data for 2020–2023. This update allows for a more precise assessment of emission changes, ensures consistent monitoring of emission reductions in line with the SBTi methodology, and guarantees compliance with industry best practices and regulatory requirements.

There have been no other changes in the preparation or presentation of the Sustainability Report compared to the previous reporting period. No quantitative indicators with a high level of measurement uncertainty were identified, nor were any significant errors from the previous reporting period detected.

As the Company is part of the EPSO-G group of companies, it does not fall under the phase-in provisions applicable to companies with fewer than 750 employees. Although phase-in provisions could apply to Amber Grid individually, the Company does not utilize them, as the conditions do not apply to the entire EPSO-G group. To ensure consistency and alignment with the Group's report, the Company provides all material information required under Disclosure Requirements E4 ESRS, S1 ESRS, S2 ESRS, S3 ESRS, and S4 ESRS.

## 8.2. SUSTAINABILITY MANAGEMENT

### GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Amber Grid aims to actively contribute to the transformation of the energy sector by balancing environmental, social, and economic objectives. The Company strives to adhere to best sustainability management practices and principles, ensuring that sustainability considerations are integrated into both strategic decisions and day-to-day operations.

EPSO-G's corporate sustainability governance structure aligns with the Group's corporate governance framework. Management, supervisory, and advisory bodies oversee and manage sustainability issues within their respective areas of responsibility and expertise. Detailed information on sustainability management and monitoring at the Group level is provided in the EPSO-G Consolidated Management Report for 2024.

"Amber Grid's long-term strategic sustainability objectives are formulated, reviewed and monitored by the Company's Board of Directors. It also approves the Company's annual targets, which include sustainability commitments.

The company's environmental, social responsibility and governance objectives are allocated to the relevant functional units according to their competencies, such as environmental protection, occupational safety, organisation development, risk and compliance management, etc. In addition, the Company has a person responsible for ensuring the implementation of the principles of equal opportunities.

### COMPOSITION OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Articles of Association provide for the following bodies of the Company:

- General Meeting of Shareholders (non-executive members).
- Board of Directors (5 non-executive members).
- The Chief Executive Officer of the Company (sole executive management body).

Details of the Company's corporate governance are set out in Chapters 7, 8 of the Management Report. To ensure a comprehensive and integrated approach to sustainability management, the Company actively invests in enhancing sustainability-related knowledge and attracting as well as developing relevant competencies.

The Company regularly organises training sessions and presentations on sustainability topics and engages external consultants to maintain a high level of expertise. Managers are routinely briefed on sustainability policies, legislative developments, and key initiatives in this area.

Sustainability education and the active involvement of managers contribute to the effective achievement of objectives and strengthen their competencies by fostering a conscious and responsible approach to sustainable practices.

#### GOV-2 – INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Company's governing bodies are regularly informed about material impacts, risks, and opportunities. The Board discusses relevant issues, including those related to sustainability, on a monthly basis. The Board plans and conducts its activities in accordance with its annual work plan.

In the first year of reporting, the Double Materiality Assessment considered all topics from the ESRS list, as well as other sustainability topics relevant to the Company.

#### GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Amber Grid's remuneration policy is outlined in the *Report on the Implementation of the Remuneration Policy* section of the Management Report. The Company does not have any sustainability-related incentive schemes or remuneration policies for members of the governing bodies.

#### GOV-4 – STATEMENT ON DUE DILIGENCE

So far, the Company is not subject to legal requirements for sustainability due diligence. Therefore, no specific due diligence system is in place. However, the Company continuously assesses potential negative impacts within its operations and value chain, strives to prevent them, and is committed to cooperating in addressing any negative impacts should they occur or should the Company contribute to them.

Despite the absence of a formalised due diligence system, some elements have already been integrated into the Company's operations. The key aspects and steps outlined in ESRS 1, Chapter 4 *Due Diligence* correspond to several horizontal and topical disclosure requirements under ESRS. The table below outlines how and where the main aspects and steps of the due diligence process are reflected in the Company's Sustainability Report.

Key elements of the due diligence	Parts of the sustainability report
a) Integrating due diligence into governance, strategy and business model	GOV-1, GOV-2, GOV-3, SBM-3
(b) Involvement of affected stakeholders in all key stages of due diligence	GOV-2, SBM-2, IRO-1, MDR-P, E1, E2, E3, E4, E5, S1, S3, S4, G1
(c) Identification and assessment of negative impacts	IRO-1, SBM-3
d) Taking action to address these negative impacts	MDR-A, E1, E2, E3, E4, E5, S1, S3, S4, G1
e) Monitoring and communicating the effectiveness of these efforts	MDR-T, E1, E2, E3, E4, E5, S1, S3, S4, G1

## GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Sustainability reporting aligns with Group-level principles and processes related to regulatory compliance, risk management, and internal control. Internal control in sustainability reporting is based on risk identification, analysis, and a focus on the most significant identified risks. The Group's risk management process follows the principles of the COSO (ERM) framework. To ensure a unified risk management approach across all companies, the Group has adopted a risk management policy that defines the key principles and responsibilities within the EPSO-G Group, based on shared principles.

Sustainability risks are regarded as an integral part of the Group's day-to-day operations and are embedded within the risk management process. The Group assesses risks against specific criteria within sustainability areas, and those meeting these criteria are categorised under the relevant risk type within the sustainability domain. Risks related to sustainability reporting primarily concern the accuracy and reliability of data and information.

### PSO-G The role of administrative and supervisory bodies:

- **The Board:** decides on the formulation, approval and implementation of the Group's sustainability-related policies. Sets the Group's strategic sustainability directions, approves strategic sustainability objectives and monitors their implementation. Analyses and evaluates the material provided by the Company on strategic issues related to the development of the Group's corporate sustainability (environmental, social and human rights and governance), and ensures that the appropriate organisational and technical arrangements are in place to carry out the Company's activities in this area.
- **Nomination Remuneration and sNomination Remuneration Committee:** Provides recommendations on the system for strengthening equal opportunities, inclusion and diversity within the Group, assists in the selection of members of the management and supervisory bodies, makes other recommendations relating to the nomination of members, and makes recommendations on the remuneration system and the level of remuneration. Oversees the performance of the governing bodies and the remuneration policy and the system for strengthening equal opportunities, inclusion and diversity within the Group.
- **Group Audit Committee:** Oversees the preparation and auditing of the Group's (including the Company's) financial statements and sustainability reporting processes, oversees the Group's internal controls, risk and compliance management, and the effectiveness of its business processes (including in the area of sustainability), and makes recommendations on these matters. Oversee processes related to sustainability data, monitor third-party assurance reviews.



## 8.3. STRATEGY, BUSINESS MODEL AND VALUE CHAIN

### SBM-1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN

We operate the Lithuanian natural gas transmission system. Our responsibility is the transmission of natural gas to consumers, as well as the operation, maintenance, and development of infrastructure.

Amber Grid's goal is to **transform the natural gas system by 2030**, adapting it to safely transport renewable energy sources and contribute to a cleaner future for all. We plan to modify the gas transmission system to accommodate new energy sources, enabling Lithuanian pipelines to carry hydrogen as well as natural gas.

We are committed to supporting a climate-neutral economy. By supplying green energy in Lithuania and abroad, we help reduce the impact on climate change by focusing on energy from renewable sources.

#### Our transmission system includes:

- Main gas pipelines.
- Gas compressor stations.
- Gas metering and distribution stations.
- Corrosion protection devices for gas pipelines.
- Data and communication systems.

Our customers include Lithuania's large and medium-sized enterprises, as well as companies supplying natural gas. More information on customers and services can be found in the Amber Grid Management Report 2024.

Amber Grid employs qualified specialists with many years of experience in gas system maintenance and management knowledge. At the end of the reporting period 2024, the Company employed **352 employees**.

### COMPOSITION OF AMBER GRID

We have been in business since 2013 and became a natural gas transmission system operator in 2015. We are part of a state-owned group, [EPSO-G](#). The Group consists of energy transmission and exchange companies. We are members of the European Network of Transmission System Operators for Gas [ENTSO-G](#).

Amber Grid owns 34% of [GET Baltic](#) shares. The latter organises and develops natural gas exchange trading in Lithuania, Latvia, Estonia and Finland. GET Baltic is majority-owned by the European Energy Exchange AG (EEX).

Amber Grid has also connected biomethane producers to the existing grid, thereby contributing to Lithuania's renewable energy development. The integration of biomethane into the joint energy system is one of the main energy goals of European countries, and it opens up new opportunities for the Company's customers to expand and develop.

**INFORMATION ON THE SECTOR OF ACTIVITY**

The Company operates in the fossil fuel sector (gas), i.e. it derives its revenues from the distribution – including transport, storage and trade – of fossil fuels as defined in Regulation (EU) 2018/1999 of the European Parliament and of the Council, Article 2, p. 62.

The income derived from these activities is shown in the Company's financial statements: Group companies do not derive revenues from taxonomy-aligned activities (4.29, 4.30, 4.31) related to fossil gas.

**SUSTAINABILITY DIRECTIONS AND TARGETS**

Amber Grid's renewed strategy, together with EPSO-G Group companies, clarifies the Group's shared mission to accelerate energy independence and increase system reliability, as well as its vision to enable green transformation while safeguarding energy and national security interests. A range of strategic tools will be utilised to achieve these goals, including financing, innovation and digitalisation, partnerships, asset development and management, as well as improvements in supply chains and procurement.

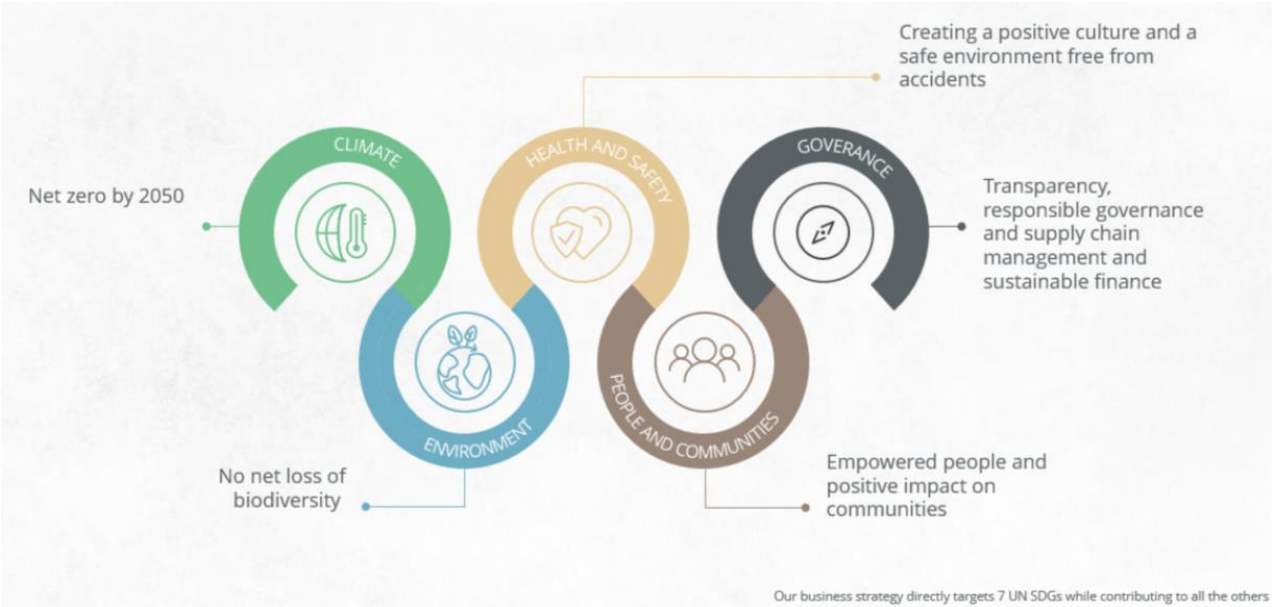
Amber Grid aims to contribute directly to the Sustainable Development Goals. The Company focuses on ensuring access to clean and modern energy, taking action to combat climate change, developing resilient infrastructure and promoting innovation, ensuring safe working conditions, employee well-being and developing a sustainable supply chain. Green energy is at the heart of the Company's strategy and strategic plan.

Sustainability is an integral part of the Company's activities, and its key objectives are integrated into the EPSO-G group's long-term corporate strategy, which was updated in 2024. More information on the Group's strategic sustainability objectives can be found in [EPSO-G's Consolidated Management Report 2024](#).

Information on Amber Grid's Strategy 2035 can be found in the Amber Grid Management Report 2024, section . A more detailed presentation can also be found here: [Strategy 2035](#).

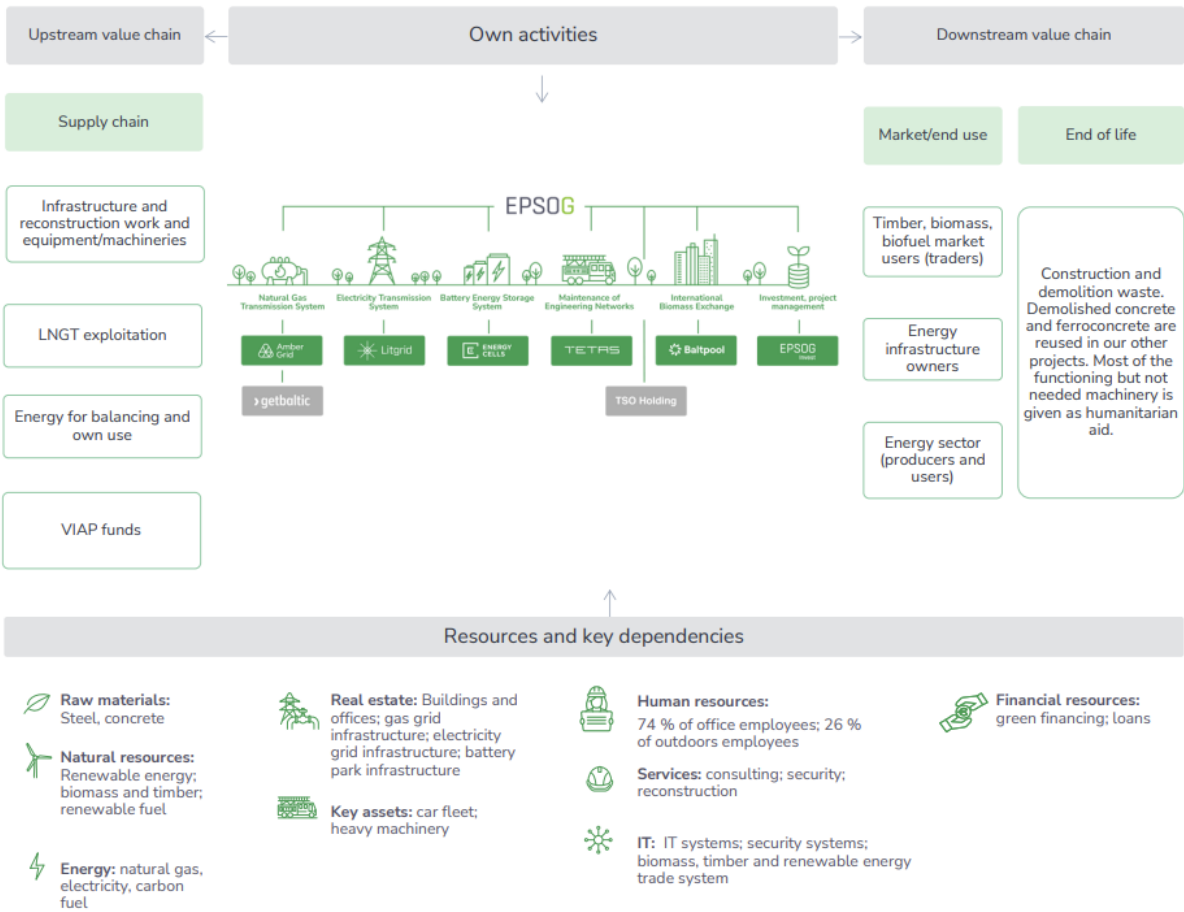
**The Company's key environmental, social and governance objectives:**

<p><b>ENVIRONMENTAL AREA</b></p> <ul style="list-style-type: none"><li>• <b>Climate</b> – Achieve a net-zero GHG emissions balance by 2050.</li><li>• <b>Impact</b> – Ensure no net loss of biodiversity.</li></ul>	<p><b>SOCIAL AREA</b></p> <ul style="list-style-type: none"><li>• <b>Health and Safety</b> – Foster a safe, positive working environment and culture.</li><li>• <b>People and Communities</b> – Empower individuals and create a positive impact on communities.</li></ul>	<p><b>GOVERNANCE AREA</b></p> <ul style="list-style-type: none"><li>• <b>Governance</b> – Uphold transparency, responsible operational and supply chain management, and sustainable finance.</li></ul>				
<p><b>5 GENDER EQUALITY</b></p> 	<p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p> 	<p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p> 	<p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p> 	<p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p> 	<p><b>13 CLIMATE ACTION</b></p> 	<p><b>15 LIFE ON LAND</b></p> 



VALUE CHAIN

The diagram below visually represents EPSO-G’s value chain, including Amber Grid, encompassing both the upstream value chain, which includes suppliers and resources, and the downstream value chain, where value is delivered to customers and society. It highlights the key resources and dependencies within the company’s operating model, from core business activities to final outcomes.



## SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

To successfully achieve its strategic objectives and ensure sustainable development, the Company must maintain a regular dialogue with stakeholders, consider their expectations and integrate them into the decision-making process. Stakeholders are groups whose activities significantly impact the Company or may be substantially impacted by the Company.

The Sustainability Report's content is based on key stakeholders' insights, needs and expectations. The table below highlights the main stakeholder groups, their engagement, and how the Company addresses their concerns. The analysis of these engagement results was also used in the double materiality assessment process.

The Company's administrative, management and supervisory bodies are informed of stakeholder concerns if needed.

Table 18. Key stakeholders and methods of engagement

Key stakeholders	Company's methods of engagement	How the Company considers the results of the engagement
<b>Customers</b>	<ul style="list-style-type: none"> <li>Initiating and organising informative events, publishing articles and newsletters and communicating with customers on social media.</li> </ul>	We operate in a business-to-business (B2B) environment; therefore, it is crucial to understand our customers' needs and develop tailored services and solutions that contribute to implementing our strategy.
<b>Employees</b>	<ul style="list-style-type: none"> <li>Conducting regular employee engagement surveys.</li> <li>Applying uniform principles of equal pay and social responsibility towards employees.</li> <li>Organising employee meetings and sharing information via intranets.</li> <li>Setting team goals and monitoring results.</li> </ul>	Empowered, professional and values-driven employees are essential to achieving the Group's vision and strategic objectives. The Company is committed to creating a safe, positive working environment and culture as part of the Group's long-term strategy by enhancing internal politics and developing improvement plans.
<b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>Publishing interim (quarterly) and annual reports on the Group's financial and operational performance.</li> <li>Holding regular meetings to discuss topical issues.</li> </ul>	The Company's business strategy is designed to align with both national and international expectations for the region. The success of our strategic projects relies directly on shareholder trust and timely decision-making. The Group considers shareholders' expectations when defining strategic priorities and enhancing sustainability-related governance.
<b>Foreign partners: Energy transmission and biofuels exchange operators</b>	<ul style="list-style-type: none"> <li>Initiating and participating in professional meetings and conferences to present the strategic objectives.</li> <li>Engaging in joint working groups.</li> <li>Taking part in international organisations that bring together electricity and gas transmission operators.</li> </ul>	The Company is actively engaged in national and international activities to safeguard the country's interests and strengthen its position in the Baltic region and Europe. Partnerships with foreign operators enable the Company to develop new markets, drive innovation, and enhance the overall sustainability and efficiency of the sector.
<b>National regulatory authority</b>	<ul style="list-style-type: none"> <li>Providing timely information to regulators.</li> <li>Cooperating on the implementation of new market mechanisms.</li> <li>Holding regular meetings to discuss topical issues.</li> </ul>	Cooperation with the regulator enables the Company to ensure regulatory compliance, strengthen long-term operational stability, and foster social trust, thereby contributing to sustainable growth and an enhanced market reputation.

<b>State representatives</b>	<ul style="list-style-type: none"> <li>• Holding regular meetings to discuss key issues.</li> <li>• Presenting or speaking on relevant topics in Parliamentary Committees and Government meetings of the Republic of Lithuania.</li> <li>• Participating in inter-institutional working groups.</li> </ul>	Cooperation with government representatives is essential to ensuring a coherent, long-term vision for the energy sector and facilitating the smooth implementation of key national and regional projects.
<b>Suppliers of services and goods</b>	<ul style="list-style-type: none"> <li>• Consulting market players and conducting market research.</li> <li>• Developing public procurement plans and policies.</li> <li>• Organising Supplier Day events.</li> </ul>	<p>The contribution of suppliers is essential to ensuring the continuity and efficiency of the Group's activities, thereby strengthening and enhancing the value chain. Their role extends beyond maintaining a stable supply process; it also fosters compliance with quality standards, drives innovation, and supports sustainability objectives.</p> <p>Suppliers act as strategic partners, enhancing the efficiency, resilience, and adaptability of the value chain in response to dynamic market conditions and evolving environmental and social demands.</p>
<b>Contractors</b>	<ul style="list-style-type: none"> <li>• Organising annual informational events for potential contractors.</li> <li>• Announcing procurement plans and consultations in advance to promote stronger competition among bidders.</li> <li>• Auditing the work carried out by contractors.</li> </ul>	Contracting extends beyond cost efficiency and process optimisation; it plays a key role in advancing sustainability objectives. By collaborating with sustainable contractors, the Company can minimise its ecological footprint, promote the responsible use of resources, and uphold higher environmental standards. This partnership model enhances the resilience of the value chain, improves environmental performance, and supports long-term sustainable development.
<b>Non-governmental organisations (NGOs)</b>	<ul style="list-style-type: none"> <li>• Cooperating on investment projects.</li> <li>• Participating in associations as active members.</li> <li>• Sharing information to drive collective progress.</li> </ul>	Collaborating with NGOs enables the Company to contribute to global progress while leveraging specialised knowledge and resources. It also provides an opportunity to engage with wider target audiences and enhance the impact of sustainability initiatives.
<b>Trade unions</b>	<ul style="list-style-type: none"> <li>• Facilitating trade unions or labour councils.</li> <li>• Negotiating collective agreements with trade unions or labour councils.</li> <li>• Holding periodic meetings with employees or their representatives to discuss the implementation of collective agreements.</li> <li>• Consulting and informing trade unions or labour councils when making decisions related to labour management relations.</li> </ul>	Employee engagement is essential to the Group's success. It is important for the Company to maintain an open dialogue, listen to employee expectations, and integrate them into performance improvement processes.
<b>General public and media</b>	<ul style="list-style-type: none"> <li>• Maintaining a constructive relationship with the media by providing relevant information to assess the Group's financial and non-financial position and to inform the public about ongoing projects.</li> <li>• Organising press conferences.</li> <li>• Publicly disclosing information for the benefit of society.</li> </ul>	It is essential for the Group to remain aligned with the public interest and to provide up-to-date information on its progress.
<b>Local communities</b>	<ul style="list-style-type: none"> <li>• Sharing expertise on spatial planning.</li> <li>• Organising informative events for local communities on planned and ongoing projects.</li> <li>• Holding periodic meetings with community representatives.</li> </ul>	<p>Community support is essential for the successful implementation of major energy projects.</p> <p>The Company strives to consider valid feedback when carrying out projects and, as part of its long-term strategy, is committed to creating a positive impact on communities.</p>

## 8.4. DOUBLE MATERIALITY ASSESSMENT

### SBM-3, IRO-1 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL - DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The information and indicators presented in this Sustainability Report have been selected based on a Double Materiality Assessment (DMA). This approach enables a comprehensive evaluation of sustainability matters by considering both their environmental and social impacts as well as their financial materiality, ensuring a balanced and responsible approach to sustainability management.

In 2024, EPSO-G conducted a DMA for the first time, in accordance with the criteria established by the European Sustainability Reporting Standards (ESRS). The purpose of this assessment is to identify the key sustainability topics and sub-topics that should be included and disclosed in the sustainability report.

The Group's assessment was guided by the general requirements of the ESRS and the European Financial Reporting Advisory Group (EFRAG) practical application guidelines. The materiality analysis considered both impact materiality and financial materiality, along with their interrelationships.

#### The main steps in the assessment were:

1. **Understanding the context** – Analysing the company's operations, value chain partners, and stakeholders.
2. **Preliminary assessment** – Identifying potentially material sustainability issues for EPSO-G.
3. **Double Materiality Assessment** – Conducting a detailed evaluation of the identified sustainability issues in terms of their environmental, social, and financial impacts.

Stakeholders were actively involved in the Group's DMA. "Nature", recognised as a silent stakeholder, was also considered in the assessment. The methods and levels of stakeholder involvement were determined in accordance with the AA1000 Stakeholder Engagement Standard.

Details of the Group's DMA methodology are provided in [EPSO-G's Consolidated Management Report 2024](#).

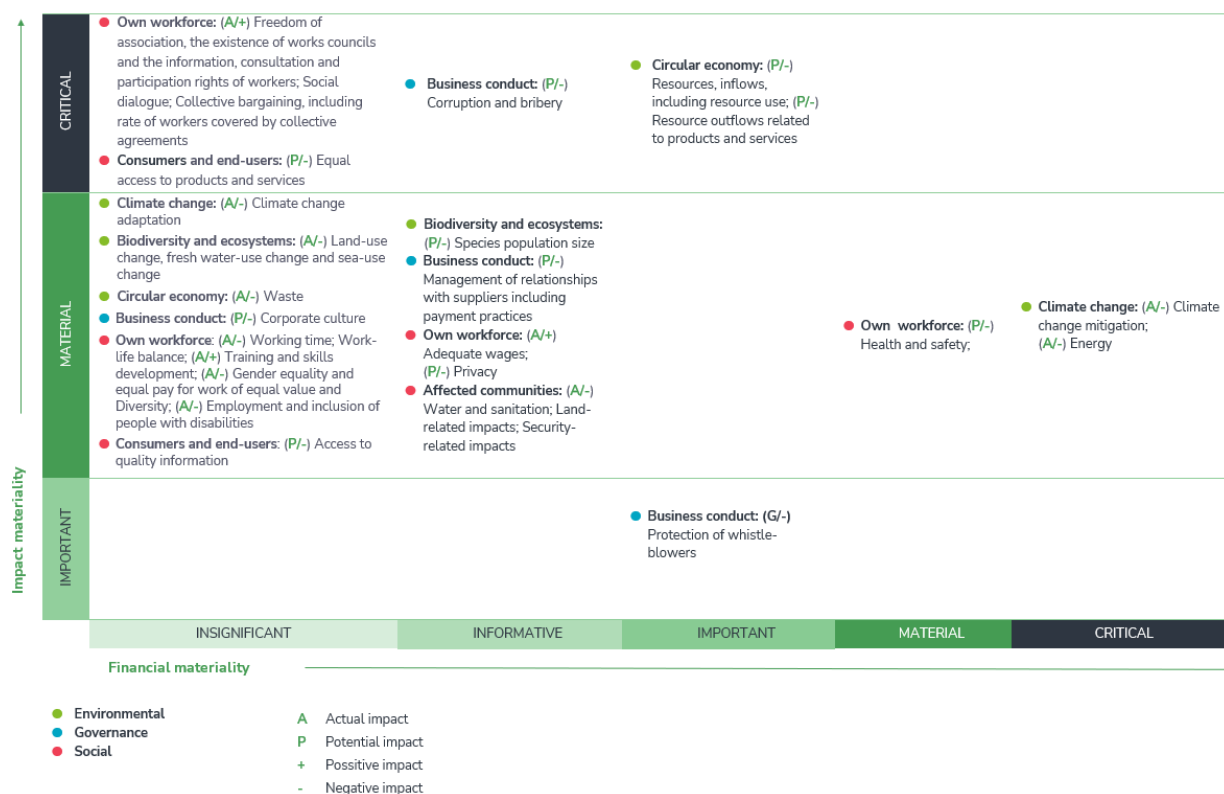
In line with the DMA results, this report provides a detailed account of how each material topic is managed, including its associated impacts, risks, and opportunities, in chapters structured according to ESRS topics.

#### DOUBLE MATERIALITY MATRIX

The sustainability topic matrix highlights the most relevant sustainability issues. According to EPSO-G's methodology, a sustainability issue is considered material if it is classified as "critical" or "material" based on its final impact and/or financial materiality scores.

An exception applies to the sustainability issue "Business Ethics (Whistleblower Protection)," which is classified as material specifically to the Company, given its status as a state-owned enterprise.





## CLIMATE RISK ASSESSMENT

Given the significance of climate change challenges in the energy sector and the requirements of EU legislation (including the Taxonomy Regulation and European Sustainability Reporting Standards (ESRS)) on climate risk disclosures, EPSO-G carried out a comprehensive analysis of physical and transitional climate risks, opportunities, and climate scenarios in 2023.

The analysis was conducted under the Intergovernmental Panel on Climate Change (IPCC) climate change scenarios for the short (2026), medium (2030), and long (2050) term.

The Group's assessment was carried out in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The assessment and methodology developed allow for improving the evaluation and management of climate change risks, enhancing related disclosures to the Group's stakeholders, and strengthening the Group's governance of sustainability risks.

The assessment covered climate change-related risks, both physical (likelihood of extreme events affecting infrastructure, buildings, and offices) and transitional (Policy and Legal, Technology, Market, and Reputation). Measures and indicators have been developed to manage these risks.

The methodology and results of the climate risk assessment are reported in the [EPSO-G Consolidated Management Report 2024](#) and a separate report, which can be found here: [EPSO-G Climate risk report 2023](#).

## IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

A table of contents listing the disclosure requirements met in the preparation of this Sustainability Report, based on the results of the materiality assessment, can be found in the chapter *ESRS Index*.

A table of all data units required by other EU legislation, as specified in Appendix B of the ESRS standard, is available in the section *List of data points in cross-cutting and topical standards that derive from other EU legislation*.

Climate change is a material topic for the Company and is included in this report. The material information to be disclosed has been determined by the Company based on the DMA conducted.

## MDR – MINIMUM DISCLOSURE REQUIREMENTS

The Company applies and discloses information in accordance with the Minimum Disclosure Requirements on policies (MDR-P), actions (MDR-A), metrics (MDR-M), and targets (MDR-T), together with the relevant disclosure requirements set out in the topical ESRS throughout this report.

## 8.5. ENVIRONMENTAL AREA

### E1 CLIMATE CHANGE

#### SBM-3, E1 SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The Company recognises its responsibility in the context of climate change and understands that protecting the environment is an integral part of sustainable operations. Climate change mitigation and adaptation to its challenges are vital for both current and future generations. The Company is therefore continuously assessing the environmental impact of its activities and looking for innovative solutions to reduce this impact and achieve positive results for both the organisation and wider society.

#### CLIMATE CHANGE MITIGATION AND ADAPTATION

The Company is actively working to reduce greenhouse gas (GHG) emissions and meet international standards in this area to contribute to the global climate goals. It continues to invest in clean energy solutions to ensure a sustainable energy supply and reduce carbon emissions. It is also upgrading infrastructure to make energy supply more efficient, sustainable, and less environmentally impactful. Decisions are made considering mitigation and adaptation risks and opportunities to ensure long-term impacts and environmental compliance.

#### ASSESSING CLIMATE CHANGE IMPACTS, RISKS AND OPPORTUNITIES

The Company keeps monitoring the impact of climate change and identifying potential risks and opportunities related to climate change and its impact on operations. Climate change mitigation and adaptation strategies are taking into account the overall value chain, ensuring coherent and responsible management of activities.

The table below summarises the material topics related to climate change impacts, risks and their location in the value chain.

Sustainability topic	Impacts	Risks and opportunities	Location in the value chain
Climate change adaptation	—*	—*	—*
Climate change mitigation	<b>Actual negative</b> impact due to the Group's GHG emissions.	Risks arise from the need to finance the renewal of infrastructure and to provide for investment in new technologies to reduce the Group's impact on climate change (by reducing GHG emissions).	<b>The entire value chain</b>
Energy	<b>Actual negative</b> impacts from operations of Group companies and the Group's supply chain.	The risks stem from the need to invest in renewable energy sources.	<b>The entire value chain</b>

**Note:** \*No significant impacts, risks and/or opportunities identified.

### E1-1 Transition plan for climate change mitigation

Amber Grid is committed to contributing to climate change mitigation and the sustainable development of the energy sector, in line with the Paris Agreement and the National Energy Independence Strategy. At the beginning of 2025, the Board approved a long-term strategy up to 2035, aimed at ensuring the achievement of the organisation's climate goals and sustainability objectives.

#### Strategic objectives and steps to mitigate climate change:

- Increasing energy efficiency in all production processes.** Introducing new technologies and optimising energy consumption to reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions by **30% - 2026** and **by 50% - 2030** (compared to 2019 levels). GHG emission reduction targets are disclosed in accordance with disclosure requirement E1-4.
- Development of renewable energy sources (RES) in technological processes.** In the future, the Company plans to use green hydrogen (H<sub>2</sub>) and biogas for its own use. The aim is to reduce the use of fossil fuels and environmental impacts by increasing the usage of clean energy.
- Transformation of the natural gas system and integration into the European market.** The natural gas system is set to be radically transformed by 2050 to transport renewable gas and H<sub>2</sub>. The Company aims to integrate into the single European energy market, bringing clean energy to consumers and helping the country keep up with the European Green Deal.
- Enabling green transformation.** In line with the changes envisaged by the State in the National Energy Strategy, the Company aims to foster the enabling environment for stakeholders. It will undertake the following actions:
  - Expanding the hydrogen (H<sub>2</sub>) network and creating a carbon dioxide (CO<sub>2</sub>) ecosystem.
  - Further promoting the integration of green gas into the transmission network.
  - Developing markets and strengthening relationships with existing and future customers.

These actions will allow a sustainable transition to green energy and contribute to the achievement of the country's strategic objectives.

The Transition Plan is an integral part of the Company's strategy and financial planning to contribute to the objectives of the Paris Agreement and the requirements of European climate legislation. EPSO-G Group aims to become climate-neutral by 2050.

Amber Grid's investment plan includes both long-term strategic investments and 10-year investments for material projects. The Company's budget is established annually and is aligned with the work and investments foreseen in the business plan.

An important part of implementing the strategy is the Company's action plan, which is approved by the CEO. The Action Plan 2025, approved by the Board, contains ambitious objectives and clear priorities:

- Building the infrastructure for reliable clean energy supply.
- Safeguarding energy and national security.
- Strengthening the Company's role for customers – being a trusted strategic partner in the energy transformation.

The Company's Business Plan 2025-2027 was approved at the end of February 2025 and its implementation will be evaluated by the Board.

To achieve its objectives, the Company continuously assesses changes in the operating environment, the implementation and progress of its strategy and, where necessary, updates its strategic documents.

For detailed information on Amber Grid's strategy, see [Strategy I Amber Grid](#).

## GHG MITIGATION ACTION PLAN

Amber Grid is consistently implementing its GHG Mitigation Action Plan (GHG MAP) to contribute to climate change mitigation targets. The plan consists of pilot projects, market analyses of suppliers and investment plans that form the basis for sustainable development.

Key decarbonisation levers (actions 2025 to 2030):

- Employment of gas combustion equipment in operational activities.
- Reconstruction of gas compressor stations.
- Installation of fixed and mobile leak detection systems: installation and use for monitoring methane (CH<sub>4</sub>) leaks.
- Incorporation of biogas into the Company's gas plant system and its combustion.
- Replacement of gas boilers with electric ones at gas distribution stations (GDS).
- Using a mobile NG compressor for repairs.
- Application of stopple during the repair of a main gas pipeline.

Preparations are underway for the transformation and optimisation of the transmission system. The milestones are:

### 1. Optimising the own gas transmission network in response to declining gas demand.

In view of the long-term decline in gas demand for the domestic use of the Lithuanian Company, a Gas Infrastructure Security Optimisation Plan (GISP) is being developed from 2025 onwards, which will include infrastructure restructuring and will focus on more efficient network utilisation. The plan includes the dismantling of gas distribution stations (GDS) and more efficient use of their resources.

Furthermore, Amber Grid intends to assess the necessary technical infrastructure changes to adapt the grid to green gas products, including synthetic gases such as green hydrogen or synthetic methanol. These changes will allow the gas transmission network to be flexible and adaptable to changing energy needs in the future.

## 2. Changes to the H<sub>2</sub> infrastructure system.

Hydrogen (H<sub>2</sub>) infrastructure planning and design is set to take place from 2025 to 2027, establishing the foundation for future grid development phases. The plan foresees connecting the first H<sub>2</sub> producers and consumers after 2030, thus integrating the Lithuanian hydrogen network into the overall **Nordic-Baltic Hydrogen Corridor (NBHC)** system which stretches from Finland to Germany.

During the period from 2030 to 2040, we seek to connect consumers and producers in north-western Lithuania to the NBHC and to develop a domestic hydrogen grid connecting the Baltic Sea coast to the H<sub>2</sub> corridor.

## 3. Achieving the Company's strategic objective to support the development of the CO<sub>2</sub> capture and storage value chain

The company is dedicated to fostering the development of the CO<sub>2</sub> capture and storage (CCS) value chain through initiatives that will aid in achieving regional decarbonisation goals. One of the key measures to achieve this goal is participation in the CCS Baltic consortium project, which aims to create a value chain for CO<sub>2</sub> capture and storage.

If the consortium chooses to transport CO<sub>2</sub> by pipeline, detailed grid and ecosystem feasibility studies will be carried out and the necessary infrastructure for transporting CO<sub>2</sub> will be developed. A comprehensive feasibility study and action plan are planned for 2025. The connection of producers to the CO<sub>2</sub> grid is expected to occur between 2030 and 2033 and beyond.

The implementation of decarbonisation targets, alongside the value chain being developed by the CCS Baltic consortium, is likely to stimulate the emergence of new CCS/CCUS value chains. The Company will assess each opportunity to participate in these initiatives on a case-by-case basis, taking into account its long-term strategy and market needs.

Amber Grid will allocate approximately €58 million for the implementation of GHG emission reduction measures (disclosed by the E1-3 disclosure requirement) for the period from 2025 to 2030 (the amount set out in the GHG Mitigation Plan in addition to other material projects in the Company's strategy).

## LOCKED-IN GHG EMISSIONS

Amber Grid owns and operates the NG (natural gas) transmission infrastructure and conducts repairs and refurbishments resulting in **locked-in** GHG emissions of approximately 55,720 tonnes of CO<sub>2</sub>e by 2030. This includes energy production in the Company's own installations, fuel consumption in mobile units, NG leakages and other circumstances that directly or indirectly contribute to GHG emissions.

In the Company's plan for emission reduction targets and measures, Amber Grid has set out 8 measures that allow reducing the costs of the Scope 1 and Scope 2 emissions.

These locked-in GHG emissions may make it challenging to meet the Company's 2030 targets, especially in the absence of infrastructure transformation, use of alternative energy sources, and introduction of advanced technologies to reduce methane emissions to the atmosphere.

## SCOPE 3 EMISSION INVENTORY

In 2023, Amber Grid performed three Scope 3 emission inventories (these are indirect emissions that occur in the activity chain and are not included in Scope 1 or 2).

In 2025, the Company plans to conduct a comprehensive review of its Scope 3 emission inventories followed by the modelling of emission assumptions, and the development of an emission reduction plan for this type of emissions.

## LEGAL AND REGULATORY ASPECTS

The company is not subject to the European Union's benchmarks in line with the Paris Agreement. However, in line with international and national sustainability standards, the Company will keep contributing to climate change mitigation goals and implement actions allowing to achieve the emission reduction targets.

Amber Grid is continuously carrying out maintenance and repairs to ensure the reliability and security of the transmission system, and is focusing on upgrading and expanding the existing infrastructure network. Amber Grid has invested **€6.3 million in 2024**. The major spendings: Modernisation of main gas pipelines (€2.32 million), refurbishment of gas distribution stations and gas metering stations (€0.471 million), ensuring the operation of gas compressor stations (€0.124 million), and the improvement and extension of SCADA and communication systems (€0.380 million).

## IMPLEMENTATION OF THE TRANSITION PLAN IN 2024

In 2024, the Company undertook a **GHG emissions modelling exercise and a review of the GHG Roadmap** to better understand the emission reduction potential and to develop a sound Roadmap. The measures were prioritised by the highest mitigation potential and cost-effectiveness. In addition, an analysis of potential risks and modelling of different scenarios has been carried out to achieve emission reduction targets more effectively. A risk management plan for GHG measures is planned for 2025 to address potential challenges more effectively.

To foster clean energy, In 2024, the pre-feasibility study for the **Nordic-Baltic Hydrogen Corridor (NBHC)** was successfully completed by the gas transmission system operators of Lithuania, Finland, Estonia, Latvia, Poland, and Germany including Ontras. This study marks an important step in the development of an international hydrogen transport infrastructure that will connect the Baltic Sea region with Central Europe. The NBHC project is an essential part of the development of the European hydrogen market to ensure sustainable energy supply and promote decarbonisation in the region.

In April 2024, the European Commission (EC) granted the Nordic-Baltic Hydrogen Corridor (NBHC) project the status of a Project of Common Interest (PCI). This project is part of the Baltic Energy Market Interconnection Plan (BEMIP Hydrogen). PCI status assigns the project a strategic priority at the EU level, enabling it to acquire EU funding and expedite permitting procedures, thereby facilitating project implementation and accelerating the development of hydrogen infrastructure in the Baltic region.

A major study launched in January 2024 examines the basic conditions for the development of the Nordic-Baltic Hydrogen Corridor (NBHC) project. The study estimates H<sub>2</sub> transport volumes from 2030 to 2050, calculates H<sub>2</sub> rates and tariffs for consumers and conducts consumer surveys along with other relevant assessments.

## PLANS FOR 2025



Based on the results of the pre-feasibility study, the transmission system operators for gas are set to launch a comprehensive feasibility study. This study will offer a detailed technical analysis, alongside a commercial and economic assessment of the project as well as a thorough timetable for the implementation of the **Nordic-Baltic Hydrogen Corridor (NBHC)**.

At the same time, in February 2025, the European Commission announced the funding of the Connecting Europe Facility (CEF) for cross-border energy infrastructure projects under the Trans-European Energy Networks Programme (TEN-E). The Nordic-Baltic Hydrogen Corridor project has been approved for a €6.8 million grant to finance the feasibility study phase.

This funding will enable detailed studies concentrating on the critical components of the project: pipeline routing, compressor station planning, financial and economic analysis, environmental permits, safety considerations and project scheduling. These studies will help to ensure a sustainable and economically viable development of the NBHC network, contributing to the development of the hydrogen market in the region.

From 2025, the Company will be obliged to meet strict requirements of **Methane Regulation** and promote a culture of **zero CH<sub>4</sub> emissions**. These requirements will significantly impact the organisation of repair work and other operational aspects, promoting the adoption of new technologies and processes that minimise methane emissions.

Implementing these changes will require modern gas leakage control systems, advanced maintenance solutions and more efficient infrastructure optimisation measures. The Company is also committed to actively adopting best practices and innovations to reduce the environmental impact of methane and to contribute to the EU's climate neutrality targets.

In 2025, Amber Grid plans to identify all potential sources of methane (CH<sub>4</sub>) emissions, carry out a detailed inventory of these sources, and closely monitor all facilities, including the main gas pipelines. To reduce uncontrolled emissions of natural gas, consisting of about 95% CH<sub>4</sub>, the Company will seek and apply advanced stationary methane leak detection technologies. These measures will enable more effective emissions management, enhanced environmental controls and a zero CH<sub>4</sub> culture that complies with the stringent requirements of the EU Methane Regulation.

Furthermore, the purchase of important GHG reduction measures (stopple, mobile compressor and combustion equipment) is planned for 2025; they shall be applied for repairs from 2026.

## E1-2 POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION <sup>5</sup>

The Company implements EPSO-G Group's policies on climate change mitigation and energy restructuring in accordance with the Group's sustainability policy documents, which outline the key directions and principles for sustainable development.

The energy sector is one of the most important sectors for climate policy, and as a group of energy transmission and exchange companies, EPSO-G plays an important role in ensuring a smooth and reliable transformation of the energy system in Lithuania. This transformation includes: developing renewable energy sources and integrating them into the energy system, reducing dependence on fossil fuels, initiating interconnection projects, and facilitating climate-neutral energy exchanges.

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<sup>5</sup> MDR-P

In 2022, EPSO-G announced a long-term Sustainability-linked finance framework. The framework has been independently evaluated by CICERO Shades of Green, an international climate and environmental research centre. The assessment showed that EPSO-G's targets are ambitious compared to its European peers and in line with the Paris Agreement's targets for reducing climate change impacts.

To mitigate its impact on the climate, the Group implements an Environmental Policy.

The Group's environmental policy commits to:

1. Conducting activities in compliance with all mandatory requirements of environmental legislation.
2. Monitoring the environmental impact of activities – calculating GHG emissions, use of natural and energy resources, and waste generation from the Group's activities.
3. Deploying modern technologies and measures to reduce the Group's GHG emissions by 2030.
4. Using certified green electricity in the Group's administrative operations.
5. Expanding the use of RES to meet the technological energy needs of transmission grid infrastructure.
6. Prioritising and expanding the use of clean transport and consistently reducing the use of polluting fuels.
7. Prioritising and expanding the use of energy efficiency measures.

As a manager of strategically important energy infrastructure, the Group seeks to contribute to the fulfilment of the climate change and environmental commitments laid out in the Paris Agreement, the European Green Deal, the National Energy Independence Strategy and the National Climate Change Management Agenda.

### E1-3 ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES <sup>6</sup>

#### Planned actions to reduce GHG emissions by 2030 (Scope 1 and Scope 2 emission reductions)

Amber Grid plans to implement a range of GHG emission reduction measures to reduce Scope 1 and Scope 2 emissions by 2030. Specific actions, broken down by year, are listed below:

##### 2025:

1. Acquisition and design of an electric compressor for the reconstruction of the Jauniūnai Gas Compressor Station (GCS).
2. Acquisition of a mobile compressor.
3. Acquisition of combustion equipment.
4. Application or rent of a stopple during the repair of a main gas pipeline.
5. Using biogas for combustion at the Company's facilities (boilers, compressors).

##### 2026:

1. Reconstruction of the Jauniūnai GCS, installation of an electric compressor.
2. Replacing gas boilers with electric ones in GDS.
3. Operation of a mobile compressor.
4. Operation of combustion equipment.
5. Expanding usage of biogas for combustion at the Company's facilities (boilers, compressors).
6. Design of modernisation works for the Panevėžys GCS.
7. Installation of fixed leak detection systems or acquisition of related services; search for degrading leak detection tools.

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<sup>6</sup> MDR-A

**2027:**

1. Start of use of the Jauniūnai GCS electric compressor.
2. Further usage of biogas.
3. Further replacement of gas boilers with electric ones in GDS.
4. Electrification of the car fleet.
5. Using electricity from RES for all of the Company's needs.

**2028:**

1. Modernisation of the Panevėžys GCS.
2. Further usage of biogas.
3. Further replacement of gas boilers with electric ones in GDS.
4. Further use of stopple, compressor and other special measures.

**2029–2030:**

1. Full usage of the electric compressors in the GDS.
2. Usage of all aforementioned measures in the repair, leak detection and repair programme.
3. Usage of biogas or H<sub>2</sub>.

**CONTINUOUS REVIEW AND UPDATING OF MEASURES**

The GHG Emissions Reduction Plan is an ongoing document, and the actions outlined above may change depending on the Company's situation and the market situation. Amber Grid organises quarterly meetings with the responsible employees to share information on new measures, market analysis and the status of project implementation. Based on the information provided, the Company initiates pilot projects, writes investment projects and carries out other important work.

**FINANCING THE ACTION PLAN**

Amber Grid finances its GHG emission reduction measures from its own funds, which consist of revenues from its operations and borrowings. The Company's borrowings are provided by the Group's parent company, EPSO-G, which lends to its subsidiaries from both own and borrowed funds. EPSO-G finances its activities with sustainable financial instruments and has also issued a sustainability bond.

Amber Grid will allocate approximately **€58 million** to meet its GHG emission reduction targets for the period from 2025 to 2030. These funds will be used for:

- Modernisation of gas compressor stations.
- Acquisition of a mobile gas compressor and natural gas combustion equipment.
- Other measures to reduce GHG emissions.

All GHG reduction measures are included in the long-term Procurement Plan "Network Operating Costs and Fixed Asset Investments". In the financial statements, these investments are shown under fixed assets, without distinguishing them as measures to reduce GHG emissions.

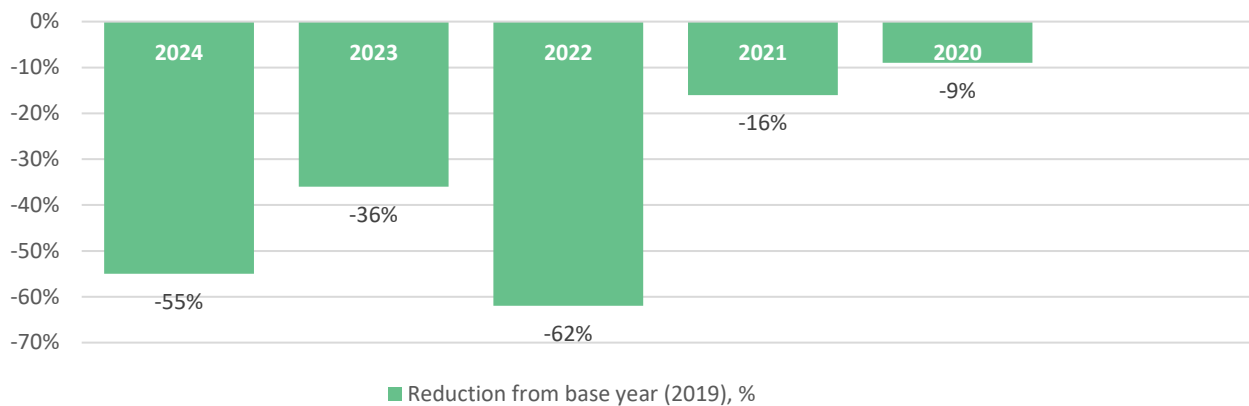
**PROGRESS IN REDUCING GHG EMISSIONS IN PREVIOUS PERIODS**

GHG emissions vary from year to year, as the Company's direct emissions depend on the scale of the work it carries out, including reconstruction, new projects and other activities that affect the level of emissions. Natural gas savings and the efficiency of compressor installations play an important role in reducing emissions. The introduction of new, cleaner technologies and the reduction of natural gas consumption

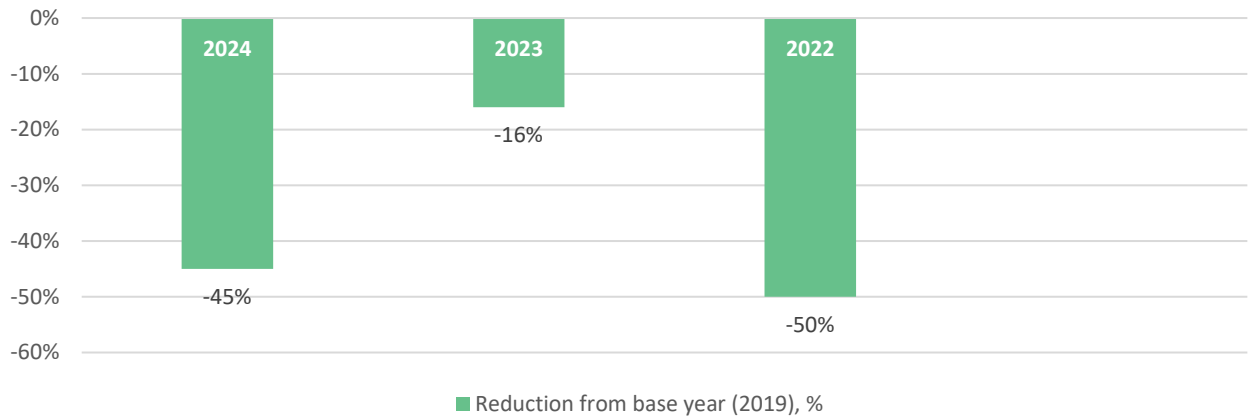
for process use not only reduce GHG emissions but also increase operational efficiency, contributing to CO<sub>2</sub>e reduction and sustainability objectives.

Nevertheless, to ensure safety, the Company must keep maintaining and upgrading its infrastructure. Therefore repairs are carried out annually on the main gas pipelines, and their scope can vary depending on the condition of the infrastructure and technological needs.

GHG emission reductions achieved since the base year (CO<sub>2</sub>e)



GHG emission reductions achieved since the base year (CO<sub>2</sub>e)



In 2021, the Company carried out a GHG emissions inventory and a general environmental impact assessment. In 2022, based on the inventory results, it prepared and approved an Environmental Impact Mitigation Plan (EIMP) until 2030.

In 2024, the GHG targets and measures plan was updated following the modelling of the Group's GHG targets and measures. While most elements of the plan remained unchanged, the H<sub>2</sub> pilot project, which foresaw the admission of natural gas and hydrogen into the NG supply system (up to 2%), was rejected in 2024.

Reasons for rejection of the pilot project:

- Limited market demand. The survey showed that there is limited market demand for H<sub>2</sub> admission, so there is no prospect for this service in the future.

- High costs. Adapting the transmission system for H<sub>2</sub> blending is expensive, so the Company has decided to go for a pure H<sub>2</sub> transport infrastructure which will be more efficient.
- Preparing potential users. Potential users who could use H<sub>2</sub> are currently not adapted to use this fuel, due to technical and technological aspects, and therefore there is no existing demand for the service.

It is possible that in the future, as market conditions change, there may be a need for H<sub>2</sub> blending service. In this case, the project may be reconsidered or updated. The Company continuously monitors changes in the regulatory environment and analyses the needs, demand and prices in the market to be ready to respond to possible future changes.

## **RES ENERGY**

In 2021, Amber Grid built 1.45 MW of solar parks at three of the Company's facilities. In February 2022, these renewable energy parks became fully operational. Some of the electricity generated covers the electricity costs of the administrative buildings, contributing to sustainable operations and energy efficiency.

From 2023, the Company has switched 100% of its electricity consumption from non-renewable sources to green energy (produced from RES).

## **REPLACING VEHICLES WITH LESS POLLUTING ONES**

In 2024, the Company replaced its polluting diesel and petrol cars with less polluting hybrid cars and less polluting electric cars. A total of 119 polluting cars were replaced. Amber Grid currently uses 50 hybrid cars and 20 zero-emission electric vehicles.

In the summer months of 2024, the energy generated by the Company's solar power plants fully covered the charging needs of electric vehicles. For the procurement of charging services for electric vehicles, a supplier was selected that supplies electricity generated from RES.

In 2024, 17 slow charging (11 kW) (AC) and two fast charging (DC) charging stations were put into operation at the Company's Panevėžys and Vilnius (Gudelių St.) locations.

## **COMBUSTION OF BIOGAS WITH GUARANTEES OF ORIGIN**

In 2025, Amber Grid is about to analyse the possibility of replacing the natural gas (NG) used for the Company's technological needs with biomethane. The assessment of alternatives will consider the feasibility of using biogas for the operation of the fuel installations and will consider the possibility of purchasing guarantees of origin.

## **TECHNOLOGICAL TOOLS**

In order to reduce direct GHG emissions, investments in technological measures are planned for the period 2025-2026 that will contribute to the effective reduction of scope 1 emissions. Key tools such as a mobile compressor, gas flaring equipment and specialised pressure drilling equipment were presented to the Company's Technical and Innovation Committee in 2024 and approved by the Company's Board of Directors for the possible initiation of procurement for their acquisition. They will be used for the reconstruction and repair of the main gas pipeline in order to reduce emissions and increase gas efficiency. In addition, these measures are essential to meet the requirements of the Methane Regulation,

which entered into force on 4 August 2024, contributing to the development of a sustainable and environmentally friendly gas transmission system.

### **PURCHASING A MOBILE ELECTRIC MOTOR DRIVE COMPRESSOR**

The mobile compressor is one of the key measures to mitigate environmental impact – measures to reduce emissions and contribute to CO<sub>2</sub>e savings. Its use is effective wherever the technology can be applied, especially in the repair and reconstruction of main gas pipelines. The mobile gas compressor allowed saving (not emitting into the environment) 789.8 thousand m<sup>3</sup> of natural gas in 2022, 2,118.0 thousand m<sup>3</sup> in 2021 and 2,030.0 thousand m<sup>3</sup> in 2020. In 2023, the application of this technology in repairs and refurbishments resulted in savings of more than 3.2 million m<sup>3</sup> of natural gas or about 54.6 thousand tonnes of CO<sub>2</sub>e; and in 2024, 1.4 million m<sup>3</sup> of natural gas, or 31.9 thousand tonnes of CO<sub>2</sub>e. These savings depend on the amount of repair and reconstruction work and the possibilities to use the mobile compressor, so results can vary from year to year.

Each year, the aim is to make the use of mobile compressors as widespread and efficient as possible to reduce the environmental impact. This installation is one of the main Tier 1 emission reduction measures applied by the Company and included in the Environmental Impact Reduction Plan. Its use allows to optimise gas losses, reduce GHG emissions and contribute to the implementation of the principles of sustainable operations.

### **METHANE LEAK DETECTION TECHNOLOGIES**

Pilot projects were carried out in 2024 to test and evaluate different technologies for detecting methane leaks. At the gas compressor stations, the results of the acoustic camera were compared with a typical leak detection round using the Pressure Incident Detection System (PIDS) and the Optical Gas Imaging (OGI) camera. In addition, at the Vilnius Gas Distribution Station, the Company's employees participated in practical training on the use of the thermal imaging camera (OGI) to assess its effectiveness in real-life conditions.

So far, the field trials carried out in 2024 have made an insignificant contribution to improving the management of methane leakage and have not shown significant effectiveness in meeting the requirements of the Methane Regulation. In 2025, the European Commission is expected to issue implementing acts that will not only provide more explicit technical guidance on the use of methane leak detection technologies but also facilitate their adaptation and ensure clearly defined technical requirements.

### **OPTIMISING GAS COMPRESSOR CAPACITY (ELECTRIC COMPRESSORS)**

The GHG emission reduction plan also includes improving fuel efficiency and switching appliances from fuel-burning to electric compressors or to cleaner fuel-burning devices.

In 2023, an efficiency improvement analysis carried out by external consultants on the Jauniūnai and Panevėžys GCS showed that the most appropriate way to reduce fuel consumption and emissions at these stations is to introduce new electric-driven technologies. In the same year, the purchase of a new electric compressor for the Jauniūnai GCS was initiated.



The procurement of the procurement, design and contracting and design work for the purchase of the electric compressor equipment for the Juniūnai DKS was announced in 2024 due to the delayed procurement, design and contracting and design work for the Juniūnai DKS and this procurement has been postponed to 2025.

The new electric compressor is expected to take over most of the operational loads of the gas compressors by the end of 2027. This would lead to a significant reduction of GHG emissions and air pollution from the Jauniūnai LCA.

A similar upgrade is planned for the Panevėžys GCS in the future. The modernisation of the Panevėžys GCS is planned to be completed by 2030.

#### E1-4 TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Amber Grid implements GHG emission reduction initiatives and continuously reviews its environmental impact reduction plans to minimise its negative environmental impact and meet stakeholders' expectations. In 2021, the Company carried out a GHG emissions inventory and an overall environmental impact assessment. Based on the inventory results, a plan of mitigation measures up to 2030 was prepared and approved in 2022.

In 2024, the GHG emission reduction plan was revised based on the annual plans and the work to be carried out, and the estimated emission savings were recalculated. The company has modelled its GHG emissions under various scenarios, including a climate scenario that limits global warming to 1.5 °C.

The company's GHG emission reduction targets for 2030 (see Table 21) are based on the implementation of these initiatives and legislation:

- The **Paris Agreement** and the **EU Green Deal** which set a target to reduce greenhouse gas (GHG) emissions by at least 55% by 2030 (compared to 1990 EU levels) and achieve climate neutrality by 2050.
- The EU and US **Global Methane Pledge** aiming to reduce global methane emissions by 30% in all emitting sectors by 2030 (compared to 2020 levels).
- 2021–2030 **National Energy and Climate Action Plan**, with targets set by 2030 including:
  - Reducing GHG emissions by 40% (compared to 1990).
  - Improving energy efficiency by at least 32.5%.
  - Increasing the share of renewable energy sources (RES) in the total energy mix to 32%.
- The **Methane Regulation**, drawn up by the European Parliament and the Council, imposes stringent methane emission management requirements on the gas transmission sector to reduce methane leakage and ensure the sustainable operation of gas infrastructure.

## SCIENCE-BASED GHG REDUCTION TARGETS

Amber Grid aims to ensure that its GHG emission reduction targets are scientifically sound and compatible with the global goal of limiting global warming to 1.5 °C.

The Company's emission reduction targets have been set in accordance with the **Science Based Targets Initiative (SBTi)** methodology, which is globally recognised and used to set targets that are consistent with climate change mitigation requirements. This methodology has been applied at a Group-wide level, ensuring consistency and scientific validity across all Group companies.

### GHG emission reduction targets

	Base year (2019)	2025 target	2026 target	2030 target
GHG emissions before reduction measures (Scope 1-2) (tCO <sub>2</sub> e)	62 921	59 363	62 411	67 387
GHG emissions after reduction measures (Scope 1, 2) (tCO <sub>2</sub> e)	-	56 629	44 045	31 461
GHG emissions (Scope 1-2) (% change compared to base year)	-	- 10 %	- 30%	- 50%

## UPDATE OF THE EMISSION CALCULATION METHODOLOGY <sup>7</sup>

In 2024, the calculation factors for electricity and methane (CH<sub>4</sub>) gases were updated to ensure more accurate emissions assessment and reduction planning. In June 2024, Amber Grid's natural gas calculation methodology, Consumption of Natural Gas for Technological Purposes in the AB Amber Grid Gas Transmission System, was changed and will be applied in the future. This methodology influences the calculation of uncontrolled natural gas emissions (Scope 1 emissions). The methodology has been adapted in light of changing legislation and Regulation (EU) No 2024/1787 of the European Parliament and of the Council on reducing methane emissions in the energy sector. The Regulation partially amends Regulation (EU) 2019/942 (the "Methane Regulation"), and the guidelines set out therein.

Following the change in the calculation methodology and to ensure data comparability, the values for the base and follow-up years have been recalculated for reporting to SBTi. The recalculation of the emission factors and the change in the methodology resulted in a 17% reduction in base year emissions compared to the previously established value.

## MONITORING OF GHG REDUCTION MEASURES AND RISK MANAGEMENT

All measures included in the GHG emission reduction plan are documented and systematically monitored. Quarterly meetings are held with those responsible to ensure that the measures are implemented and that the timetables are met. The Company's Board assesses the achievement of the objectives on an annual basis. The assessment results become one of the components that determine the annual financial incentives for both managers and employees.

The plans and associated risks are managed and included in Amber Grid's risk management register. Potential risks include: untimely or inaccurate collection and reporting of sustainability-related indicators; inaccurate calculation of GHG emissions in the Company's operations, and delays in reporting on the fulfilment of commitments to institutional investors. These risks can lead to sanctions from regulators (such as exchange supervisors) and financial penalties for non-compliance.

The risk that the regulator's disapproval of necessary investments in environmental mitigation measures (e.g. GHG emission reductions) due to regulatory constraints or economic disadvantage may prevent the achievement of long-term strategic objectives and commitments.

## SCOPE 3 GHG REDUCTION TARGETS

Amber Grid is currently focusing on reducing Scope 1 and Scope 2 emissions, as these are the areas with the highest GHG emissions. The plan was designed to regulate activities in the most environmentally damaging areas. The Company has identified the most significant contributors to GHG emissions. These are controlled and uncontrolled releases of CH<sub>4</sub> from operations and stationary installations using natural gas (NG) for technological purposes.

Scope 3 emissions were calculated for the first time in 2023 and accounted for **21%** of total GHG emissions. 2025 m. Amber Grid plans to analyse the most significant aspects of Scope 3 emission reductions and plan appropriate abatement actions.

## IMPLEMENTATION OF THE METHANE REGULATION

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<sup>7</sup> MDR-T

The Methane Regulation, which entered into force on 4 August 2024, is one of the most important pieces of legislation contributing to Amber Grid's sustainability objectives. The Regulation promotes a culture of zero CH<sub>4</sub> emissions, sets stricter requirements to prevent methane leakage, and obliges effective measures to reduce methane emissions. Its implementation will directly impact infrastructure management, emissions monitoring, and the modernisation of the gas transmission system, ensuring greater transparency and compliance with EU climate policy objectives.

The provisions of the Methane Regulation are directly related to Scope 1 emissions, which will significantly impact infrastructure maintenance and monitoring. The company aims to reduce uncontrolled releases of CH<sub>4</sub> by monitoring the performance of on-site equipment and to reduce controlled releases of CH<sub>4</sub> into the atmosphere by finding alternative solutions during repair and refurbishment works. For example, the aim is to return NG to the market instead of releasing it into the atmosphere.

The Company also plans to refer to the implementing acts (standards) of the Methane Regulation, which should be issued within 18 months of the Regulation's entry into force. These standards will provide a common methodology for calculating CH<sub>4</sub> emissions and reporting on the calculation of these gases, as well as requirements for measures such as combustion equipment, methane leakage detection technologies, etc.

## E1-5 ENERGY CONSUMPTION AND MIX

### Energy consumption and mix

Energy consumption and mix	2021						2022	Comparative 2022 /21, %	2023	Comparative 2023 /22, %	2024	Comparative 2024 /23, %
(1) Fuel consumption from coal and coal products (MWh)	0						0	0	0	0	0	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	2836.84	2597.47	-8.4%	2868.98	10.5%	2214.97	-22.8%					
(3) Fuel consumption from natural gas (MWh)	32 682.3	78 352.69	139.7 %	93 079.01	18.8%	86 915.04	-6.6%					
(4) Fuel consumption from other fossil sources (MWh)	0						0	0	0	0	0	0
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	3 248.40	2 233.23	- 31.3%	57.3	- 97.4	55.28	-3.5%					
(6) Total fossil energy consumption (MWh)	38 768.17	83 183.39	114.6 %	96 005.29	15.4%	89 185.29	-7.1%					

(calculated as the sum of lines 1 to 5)													
<b>Share of fossil sources in total energy consumption (%)</b>	100.00	99.69	-	99.58	-	99.39						-0.2%	
(7) Consumption from nuclear sources (MWh)			0.00				0.00	0.00	0.00	0.00	0.00	0.00	
<b>Share of consumption from nuclear sources in total energy consumption (%)</b>			0.00				0.00	0.00	0.00	0.00	0.00	0.00	
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)			0.00				0.00	0.00	0.00	0.00	0.00	0.00	
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)			n/a				1.96	n/a	1883.83	0.00	1874.18	-0.5%	
(10) The consumption of self-generated non-fuel renewable energy (MWh)			n/a				288.51	n/a	492.71	0.00	512.33	4.0%	
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)			n/a				290.47	n/a	2376.54	0.00	2386.501	0.4%	
<b>Share of renewable sources in total energy consumption (%)</b>			n/a				0.09	n/a	0.64	0.00	0.79	24.7%	
<b>Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)</b>	38768.171	83473.86	115.32%	98381.83	17.86%	91571.79						-6.92%	

1) Exceptionally mathematically calculated uncontrolled discharges in 2024 according to the new Technological Needs Methodology. 2) The company does not produce non-renewable energy itself, but uses DG which is transported. The company only produces electricity for its own needs using renewable energy sources (solar energy). The quantities of electricity produced were as follows: 70,08 MWh in 2021, 1 426,195 MWh in 2022, 1 478,375 MWh in 2023 and 1 440,102 MWh in 2024.

## Energy intensity

Energy intensity per net revenue	2021	2022	Comparative 2022/21 %	2023	Comparative 2023/22 %	2024	Comparative 2024/23 %
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/Eur)	0.467	0.345	-26.06%	0.467	35.21%	0.405	-13.23%

**Notes:**

1) According to the NACE codes, the Company's activities are classified under the following sectors, all of which are recognised as high climate impact sectors: Transportation of natural gas – **D.35.22** Distribution of gaseous fuels through mains; Construction – **F.42.99** construction of other civil engineering works n.e.c.

2) The following lines of the financial accounting records are used to calculate the amount of cash receipts: Revenue from contracts with customers, Transmission of natural gas in the territory of Lithuania, Balancing revenue in the transmission system, Connection of new customers (deferred revenue), Other revenue, Total revenue from contracts with customers, Revenue not attributable to contracts with customers, Revenue from administration of LNGt (Liquified Natural Gas terminal) funds.

## E1-6 GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

**GHG emissions inventory methodology**

The GHG emissions inventory is based on the Greenhouse Gas Protocol (GHG) and ESRS standards and recommendations. This report presents the estimated GHG emissions of the Company's activities, expressed in CO<sub>2</sub> equivalent.

The calculation was based on the knowledge and methodologies of the market financial institutions and suppliers of energy resources. The assessment includes carbon dioxide (CO<sub>2</sub>) and also other greenhouse gases such as methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), fluorinated gases (HFCs), which are converted to CO<sub>2</sub> equivalent using standard conversion factors.

Emission consolidation method: operational control.

The base year for the GHG calculation is 2019, as this was the first year that Amber Grid started to systematically measure and calculate emissions.

2019 Scope 1 and 2 GHG emissions were recalculated (*rebaselining*) per updated emission factors and a revised GHG calculation methodology in 2024. Recalculation has been carried out for the GHG emission data from 2020 to 2023 to ensure comparability of the data and to track the progress of the Group accurately. This update allows for a more accurate assessment of emission changes, consistent monitoring of emission reductions in line with the SBTi methodology and compliance with industry best practices and regulatory requirements.

Emission factors (EFs) have been selected based on reliable sources and national and international guidelines, with preference given to the geographically closest data. When deciding which factors to apply, the EFs provided by the supplier are prioritised first; if these are unavailable, the EFs nearest to the area are considered (Lithuanian data are preferred), and if these are not accessible, the most recently available EFs are utilised.

Sources of emission factors used:

- Global Warming Potential Values (GWPVs) set by the Intergovernmental Panel on Climate Change (IPCC).



- UK Department for Environment, Food and Rural Affairs (DEFRA) databases.
- Association of Issuing Bodies (AIB) databases.
- One Click LCA databases.
- Exiobase databases.

**CALCULATION AND REPORTING COVERAGE OF SCOPE 3 GHG EMISSIONS**

The disclosure of Scope 3 GHG emissions is subject to reporting scope and methods for calculating GHG emissions. Within this Scope, the Company has six emission categories:

1. Goods and services purchased.
2. Tangible fixed assets.
3. Fuel and energy-related activities (not included in Scope 1 or 2).
4. Waste generated by operations.
5. Business trips.
6. Employee commuting.

**Purchased goods and services, tangible fixed assets.** The emission factors (EFs) from the Exiobase database are used to calculate emissions in these categories. The financial EFs are stable with minimal year-on-year variations. If the most recent EFs are not available or are difficult to obtain, average annual inflation is estimated, adjusted for the previous year's EFs, and used for the annual calculations.

**Fuel and energy-related activities.** This category includes emissions from transporting the fuel from the point of extraction to the point of sale, energy transmission losses to purchasing organisations and emissions from electricity and heat consumption (central heating). The data is taken from Scope 1 and Scope 2 emission calculation activity data and the EF is taken from the DEFRA database.

**Waste generated in operations.** The calculation of emissions is based on accounting logs and information provided by contractors. The calculations apply annual waste generation and emissions are assessed for each waste category. EFs are also taken from the DEFRA database.

**Business travelling.** Emissions in this category are calculated on the basis of the travel tally of the Company's employees. The data includes:

- Flights flown (distance travelled by plane, km).
- Overnight stays in hotels.

All kilometres travelled (domestic and international long-distance) and hotel nights are multiplied by the corresponding EFs taken from the DEFRA database.

**Employee commuting.** These emissions are calculated using data on the number of employees in the company and EF from the Statista and Climate Analytics databases. According to Statista Lithuania, around 94.3% of employees travel to work by car. Emissions are calculated by multiplying the total number of employees by the share of the mode of transport used and EF per employee.

GHG emissions

Emission type	Retrospective
---------------	---------------

	Base year 2019	2021	2022	2023	2024	Comparative 2024/2022
<b>Scope 1 GHG emissions</b>						
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)	61 772.29	51 569.15	22 694.96	39 971.75	28 261.988	-33 510.298
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	7.19	0.79	12.04	35.64	23.51	16,317
<b>Scope 2 GHG emissions</b>						
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	1148.39	1212.66	1003.22	2.83	4.53	-1143.85
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	483.50	795.00	515.40	289.20	283.30	-200.20
<b>Significant Scope 3 GHG emissions</b>						
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> eq)	-	-	7 972.99	12 984.50	6007.670	1965.325
1. Purchased goods and services	-	-	936.49	1 670.54	1220.405	283.914
[Optional subcategory: Cloud computing and data centre services]	-	-	-	-	-	
	-					
2. Capital goods	-	-	3 706.97	8 158.01	1584.387	-723.63
3. Fuel and energy-related activities (not included in Scope 1 or 2).	-	-	2 975.50	2 815.62	2839	7.84
4. Upstream transportation and distribution	-	-	-	-	-	
5. Waste generated in operations	-	-	32.73	66.52	3.53	-29.206
6. Business traveling	-	-	53.98	24.69	39.029	-14.948
7. Employee commuting	-	-	267.32	249.12	367.004	99.680
8. Upstream leased assets	-	-	-	-	-	
	-					
9. Downstream transportation	-	-	-	-	-	-
10. Processing of sold products	-	-	-	-	-	-
11. Use of sold products	-	-	-	-	-	-
<b>Total GHG emissions (tCO<sub>2</sub>eq)</b>						

Total GHG emissions (location-based) (tCO <sub>2</sub> e)	62 255.77	52 364.15	31 183.32	53 245.44	34 552.95	27 702.82
Total GHG emissions (market-based) (tCO <sub>2</sub> e)	62 920.67	52 781.81	31 671.17	52 959.08	34 274.19	28 646.48

**Note:** Amber Grid does not own any other companies and therefore does not allocate additional GHG emissions. The definition of the Company and its value chain has not changed substantially since the base year, so there is no impact on GHG comparability.

#### GHG intensity

Energy intensity per net revenue	2021	2022	Comparative 2022/21, %	2023	Comparative 2023/22, %	2024	Comparative 2024/23, %
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> eq/Eur)	0.078	0.032	-58.74%	0.065	102.90%	0.047	-28.46%
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> eq/Eur)	0.079	0.033	-58.42%	0.065	98.70%	0.046	-28.65%

**Note:** Lines in the financial statements disclosing the amount of revenue used to calculate the GHG intensity indicator: Data for 2024 are reported in 25 page ("Revenue") and 26 ("Other income"). Data for 2023 are reported in 31 December 2023 financial statements, paragraphs 28 ("Revenue") and 29 ("Other income"); for 2022 – paragraphs 27 and 28; and for 2021 – paragraphs 15 and 16. Financial statements and announcements are made public on the Company's [website](#).

### E1-7 GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

The Company does not have such a practice and does not disclose relevant information.

### E1-8 INTERNAL CARBON PRICING

The Company does not have such a practice and does not disclose relevant information.

## E2 POLLUTION

### SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The DMA of the EPSO-G Group has shown that pollution is not a material topic at the group level. Nevertheless, Amber Grid plans to further assess its relevance in the context of the Company in 2025. To ensure completeness and transparency, Amber Grid provides information on the management of pollution-related impacts and risks in this report.

#### E2-1 – POLICIES RELATED TO POLLUTION

The Company's pollution-related impacts are managed through the implementation of the [Environmental Policy](#), which applies to all companies in the EPSO-G Group. The policy commits to operating in compliance with all mandatory environmental legislation, continuously assessing risks, developing prevention plans and working towards avoiding significant environmental incidents in the Group's operations. In addition, the aim is to continuously build and reinforce a culture of zero tolerance to environmental pollution and

zero environmental incidents. Company employees are made aware of the Environmental Policy and encouraged to comply with it. The policy is published publicly on Amber Grid's website.

The Company imposes additional environmental requirements in the area of pollution prevention in its projects to ensure that partners (contractors) are not only familiar with, but also effectively apply measures to prevent air, water and soil pollution.

Other procedures in place at the Company for pollution incidents and/or management actions in the event of an emergency:

- **Emergency Management Plan.** The purpose of this plan is to ensure an adequate response in the event of an emergency, such as a fire, explosion, or chemical spill at NG transmission system facilities. The plan outlines coordination and communication procedures, the scope of emergency work, the scale and sequence of rescue operations, as well as the required forces and resources.
- **Rules for Compliance with Environmental Protection Requirements.** These rules define the management of environmental incidents, including chemical spills into the natural environment, unplanned GD releases during MD repairs, or accidents that may pose a threat to the environment. The rules outline incident management measures, the Company's actions, and the procedure for informing stakeholders.

## E2-2 – ACTIONS AND RESOURCES RELATED TO POLLUTION

### MODERNISATION OF JAUNIŪNAI AND PANEVĖŽYS GAS COMPRESSOR STATIONS

In 2023, an efficiency improvement analysis of the Jauniūnai and Panevėžys gas compressor stations carried out by external consultants showed that the most appropriate way to reduce fuel consumption and emissions to ambient air at the stations was through the installation of new electrical units. Replacing the gas compressor units at Jauniūnai Compressor Station with new electric compressors – designed to operate without fossil fuels and to assume most of the workload from the gas compressors – should result in a substantial reduction in air pollution from the site.

In addition, emission limit values will apply to the compressor units of the Panevėžys Gas Compressor Station (PDCS) or existing medium-sized combustion plants from 1 January 2030. The emission limit value for nitrogen oxides (NO<sub>x</sub>) will be 150 mg/Nm<sup>3</sup> from 1 January 2030. Consequently, to meet the new environmental requirements, upgrade outdated equipment, and optimise the operation of the transmission system, Amber Grid has decided to commence the replacement of the compressor units installed in the PDKS since 1974 with new, power-driven gas compressors.

The project "Modernisation of the Panevėžys Gas Compressor Station", scheduled for 2025 to 2029, includes a new gas pumping station with associated facilities meeting environmental requirements and the Green Deal.

## E2-3 – POLLUTION OF AIR, WATER AND SOIL

The table below presents the quantities of pollutants emitted by the Company's air pollution sources, as specified in Regulation (EU) 166/2006. Emission levels from 2021 to 2024 remained within the limits established by this Regulation. In 2024, fewer pollutants were emitted than in 2022. In 2022, following the commissioning of the newly built Gas Interconnection Poland-Lithuania, the operation of the plants was not yet well established or fully optimised. This led to increased fuel consumption in stationary plants and,

consequently, higher emissions into the ambient air. By 2023, stationary installations at gas compressor stations, gas distribution stations, operated more consistently, resulting in more efficient fuel use.

#### Pollutants (excluding greenhouse gases)

Pollutant	Threshold for releases*	Pollutants released to air kg/year			
		2024	2023	2022	2021
<b>Carbon monoxide (CO)</b>	500 000	46 029	51 010	73 300	35 210
<b>Nitrogen oxides (NO<sub>x</sub> / NO<sub>2</sub>)</b>	100 000	29 254	35 000	58 600	27 300

**Note:** \* In accordance with the release threshold laid down in Annex II to Regulation (EC) No 166/2006.

Monitoring of air pollution sources in the Panevėžys and Jauniūnai LCAs is conducted in accordance with the monitoring programmes approved by the Environmental Protection Agency (EPA). This is carried out in compliance with the requirements of the Law on Environmental Monitoring and in consideration of the conditions and requirements of Integrated Pollution Prevention and Control (IPPC) and pollution permits (IP).

Monitoring of stationary air pollution sources is conducted quarterly, following the approved monitoring programmes and taking into account the operating hours of the compressors. Additionally, measurements of air emissions from mobile pollution sources (boilers) are performed at gas distribution stations to ensure their proper operation.

Periodic measurements are carried out by a laboratory authorised to perform the necessary tests using accredited methods.

Air pollutant data is collected using calculation methodologies approved by the Environmental Protection Agency for IPPC and pollution permits. Pollutant calculations are conducted monthly, and the data is monitored and published in the Company's internal system reports.

## E3 WATER AND MARINE RESOURCES

### SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The topic of Water and Marine Resources is currently considered non-material for Amber Grid. The Company uses water solely for employees' domestic needs and for filling fire tanks. Due to the Company's low water consumption, it was not included in the DMA matrix.

Amber Grid ensures proper wastewater treatment and water pollution prevention by regularly monitoring the operation of its water treatment plants.

## E4 BIODIVERSITY AND ECOSYSTEMS

### SBM-3, E4 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The Company strives to balance infrastructure development with biodiversity conservation in its activities. Therefore, special attention is given to environmental principles in development projects. The

Company continuously assesses the impact of its activities on nature and implements measures to minimise negative effects on ecosystems and biodiversity.

Environmental impact assessments are conducted during the infrastructure development phases, considering the need to conserve species populations and maintain ecosystem health.

The table below lists the material impacts and risks related to biodiversity identified by the Company.

Company's impacts, risks and opportunities related to biodiversity.

Sustainability topic	Impacts	Risks and opportunities	Location in the value chain
Land-use changes, changes in freshwater use, and changes in marine use	<b>Actual negative impacts</b> are related to land-use changes resulting from the impact of network infrastructure on ecosystems.	*	**
Species population size	<b>Potential negative impacts</b> may be related to the development and maintenance of network infrastructure.	*	**

\*No material risks and/or opportunities identified.

\*\*Impact on sustainability topics arises directly in the Company's operations, so location in the value chain is not indicated.

A balance of vegetation, green space, and soil sealing is maintained at most Amber Grid sites and their surroundings. The sites are not fully paved, with many using water-permeable rubble, and vegetation is preserved wherever pipeline operation, fire safety, and legal requirements allow.

In accordance with the State Service for Protected Areas, the following table provides information on Amber Grid's GCS, GDS, and gas metering stations, as well as pipelines that are within, adjacent to, or crossing protected areas and sites with a 25-metre buffer zone.

In total, the Company's stations are adjacent to three protected areas and, according to the Cadastre of Rivers, Lakes, and Ponds of the Republic of Lithuania, cross the Luponė stream.

The Company's main pipeline extends across the entire territory of Lithuania, crossing 414 rivers and nine ponds, entering 41 nature reserves, two botanical natural heritage sites, five biosphere polygons, and 52 areas important for habitat protection.

As monitoring has not been conducted at all Amber Grid sites, precise information on potential biodiversity impacts is unavailable. However, monitoring of the GIPL pipeline (2021–2024) has shown that construction had no significant negative environmental impact. Biodiversity is recovering naturally, considering the effects of climate change and other anthropogenic activities in the vicinity of the Company's facilities.

Boundaries of the pipeline and its buffer zone with protected areas.

	Stations and protection zones	Gas pipeline and protection zone
<b>Territories important</b>	Out of scope	Valley of Minija River, Gerviraistis Swamp II, Anykščiai Pinewood, Daugyvenės neighbouring areas, Alioniai Swamp II, Marijampolis neighbouring areas, Gižai



<b>for the protection of habitats</b>		<p>neighbouring areas, Noris River, Novėžis lower reaches, Kiemeliškės village neighbouring areas, Visinčia River near Gudeliai, Lapynai neighbouring areas, Karšuva Forest, Šešuvis River below Pašešuvis, Verknė middle reaches II, Rietavas Forests, Merkys River, Šventoji River midstream, Minijos River, Žalioji Forest, Pamūšiai, Žeimena river, Babtai-Varluva Forests, Būda and Pravieniškės Forests, Prienai Pinewood II, Noris loop neighbouring areas, Virinta River,</p> <p>Kazlų Rūda Forest IV, Minija River upper reaches, Žėbiškiai and Lomanka Forests, Veiviržas and Šalpė Rivers and valleys, Sabališkiai Forest, Kaunas Lagoon, Nomunas loops, Mera River and its valley, Širvinta River valleys II, Taujėnai-Užulėnis Forests, and Karajimiškis village neighbouring areas, Labūnava Forest, Laukesa I, Pagramantis Regional Park, Ažuolija Forest, Lavoriškiai Forest, Čerkiškė neighbouring areas, Strošiūnai Pinewood, Gubernija Forest, Naujakiemis neighbouring areas, Naujasis Lentvaris neighbouring areas, Kernavė neighbouring areas, Strošiūnai Pinewood II, Būdai Forest, Šešuoliai Forest</p>
<b>Biosphere polygons</b>	Out of scope	Babtai-Varluva Forest Biosphere Polygon, Gubernija Forest Biosphere Polygon, Labunava Forest Biosphere Polygon, Būda-Pravieniškės Forest Biosphere Polygon, Taujėnai-Užulėnis Forest Biosphere Polygon
<b>Biosphere reserves</b>	Out of scope	Out of scope
<b>Botanical objects of natural heritage</b>	Out of scope	The areas of the Uogintai oak and Triliemenis oak.
<b>Reserves</b>	Karajimiškis landscape reserve	Veiviržas Ichthyological Reserve, Anykščiai Pinewood Landscape Reserve, Jūra Landscape Reserve, Kurkliai Geomorphological Reserve, Geomorphological Reserve of Vokė Old Valley Slopes, Punia Landscape Reserve, Merkys Ichthyological Reserve, Drubengis Botanical Reserve, Landscape Reserve of Minija Old Valley, Novėžis Landscape Reserve, Strošiūnai Landscape Reserve, Šventoji Ichthyological Reserve, Minija Ichthyological Reserve, Karajimiškis Landscape Reserve, Kulis (Grabijolai) Landscape Reserve, Judinis Geomorphological Reserve, Žeimena Ichthyological Reserve, the Great Nomunas Loops Hydrographic Reserve, Upytė Hydrographical Reserve, Šventininkai Botanical Reserve, Virinta Landscape Reserve, Daumėnai Geological Reserve, Tatula Landscape Reserve, Sabališkės Pedological Reserve, Pamūšiai Landscape Reserve, Minija River Breach Landscape Reserve, Praviena Hydrographical Reserve, Baravykinė Landscape Reserve, Daugyvenė Hydrographical Reserve, Verdeikiai Geomorphological Reserve, Jūra Ichthyological Reserve, Vokė
<b>Parks</b>	Biržai Regional Park Anykščiai Regional Park	Neris Regional Park, Biržai Regional Park, Varniai Regional Park, Anykščiai Regional Park, Sirvėta Regional Park, Nomunas Loops Regional Park, Pagramantis Regional Park, Kaunas Lagoon Regional Park

#### E4-1 – TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY AND ECOSYSTEMS IN STRATEGY AND BUSINESS MODEL

Biodiversity conservation is one of the strategic objectives of the EPSO-G Group, ensuring that its activities do not have a negative impact on biodiversity. At present, the Group does not have a biodiversity mitigation plan (Biodiversity Transition Plan).

#### E4-2 – POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

The Company does not have a separate policy for managing impacts, risks, and dependencies on natural resources related to biodiversity and ecosystems. Currently, it follows a Group-wide Environmental Policy, which is set to be updated in 2025.

The Group adheres to the following principles and plans to integrate them into its policy documents:

- Assessing and managing impacts on biodiversity.
- Protecting natural habitats and species at all stages of activities and incorporating biodiversity protection considerations from the outset of planning new infrastructure projects.
- Evaluating the environmental impact of constructing new facilities or refurbishing existing ones.
- Ensuring biodiversity protection when operating, expanding, or upgrading energy system infrastructure by implementing mitigation or compensation measures.
- Adjusting the management of compensatory measures based on environmental monitoring data to improve conservation and restoration outcomes for both living and non-living nature.
- Participating in habitat restoration projects and applying sustainable land management practices to restore vegetation affected by operations.
- Restoring areas affected by activities after their cessation to minimise negative impacts and maximise environmental benefits.
- Including biodiversity performance and initiatives in annual sustainability reports.
- Continuously assessing risks, developing prevention plans, and striving to avoid significant environmental incidents within the Group's operations. This includes fostering a culture of zero tolerance for environmental pollution and zero environmental incidents.
- Requiring contractors and other partners to adhere to these principles, comply with relevant environmental legislation and standards, and take responsibility for the environmental impact of their activities.

The Company also follows the Group's Sustainability Policy to manage its impact on biodiversity and ecosystems.

The Group is committed to biodiversity protection by conducting monitoring where necessary and, in cases of unavoidable circumstances, implementing mitigation or compensation measures. These commitments aim to minimise or fully offset Amber Grid's impact on biodiversity and ecosystems.

Additionally, the Company is dedicated to addressing the social consequences of its impact on biodiversity and ecosystems in line with the principles of responsible business conduct. Risks are continuously assessed, prevention plans are developed, and a culture of zero environmental incidents is promoted.

The Company places strong emphasis on the environmental competencies of its employees, engaging with local communities, stakeholders, and partners to ensure their involvement. Environmental initiatives are communicated publicly, and the Company actively implements such initiatives, encouraging employee participation and enhancing their expertise in nature conservation.

### E4-3 – ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS

Amber Grid assesses and manages the impact of its activities on biodiversity through a range of measures, including environmental monitoring, Environmental Impact Assessment (EIA) documents and Natura 2000 site assessments. The Company complies with legal requirements, monitors environmental impacts and actively engages with stakeholders.

#### ENVIRONMENTAL MONITORING AFTER CONSTRUCTION OF THE GIPL PIPELINE

After the completion of the Gas Interconnection Poland–Lithuania (GIPL) in 2022, post-construction monitoring of the individual stages has been carried out for 4 years in accordance with the environmental monitoring programme agreed with the Environmental Protection Agency (EPA) in 2016.

The monitoring plan is not limited to monitoring the status of surface water bodies (the rivers Musė, Strėva and Lapainios). It also covers monitoring of the landscape and state of birds (western marsh harrier, Montagu's harrier, spotted crane, common crane, lesser spotted eagle, black stork, middle spotted woodpecker), fish (protected species in the Strėva, Verknė and Lapainis rivers: *Thymallus thymallus*, *Alburnoides bipunctatus*, Amur bitterling, Spined loach, European bullhead), insects Geranium argus, False heath fritillary, Woodland brown, Large white-faced darter, Large copper) reptiles European pond turtle, European fire-bellied toad); emergence, spread, and vegetation cover of invasive species (Heracleum sosnowskyi, Boxelder maple, Large-leaved lupine, Canada goldenrod).

Four years of monitoring have shown that the construction of the gas pipeline link between Lithuania and Poland had no significant negative impacts on the environment. Biodiversity is recovering naturally, as expected.

Changes to natural habitats of the European Community (EC) importance in the area affected by the pipeline are also being recorded and assessed following the construction of the GIPL link. The number of plant species remained almost unchanged during the monitoring period, and no significant changes in the composition of the flora were detected. This indicates that the damaged part of the habitat meadow is recovering and that the restoration process has already started.

### E4-4 – TARGETS RELATED TO BIODIVERSITY AND ECOSYSTEMS

The Group aims to prevent negative impacts on biodiversity by adhering to a hierarchy of avoidance and mitigation measures and by implementing the commitments outlined under disclosure requirement E4-1. At present, no additional measurable targets are foreseen, unless a need for them is identified in new EIA documents or monitoring reports.

### E4-5 – IMPACT METRICS RELATED TO BIODIVERSITY AND ECOSYSTEMS CHANGE

The Company has identified no negative impacts on biodiversity from its sites adjacent to areas of biodiversity sensitivity. The Company has no biodiversity and ecosystem-related impact indicators identified at this stage.

## E5 RESOURCE USE AND CIRCULAR ECONOMY

### SBM-3 - MATERIAL IMPACTS, RISKS, OPPORTUNITIES, AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

Amber Grid manages the resources used in its operations responsibly and strives to minimise waste throughout the value chain. Recognising that infrastructure development can have additional environmental impacts, the Company places great emphasis on resource efficiency and proper waste management.

A range of measures is in place to optimise the use of raw materials, promote recycling, and reduce waste. Ongoing environmental impact assessments are conducted to identify potential risks in a timely manner and ensure that resource flows related to products and services are managed responsibly and sustainably.

The table below summarises the key sustainability topics related to resource use and waste management, their impacts, potential risks, and their location within the value chain.

Material impacts and risks related to the circular economy

Sustainability topic	Impacts	Risks and opportunities	Location in the value chain
<b>Resource inflows, including resource use.</b> <b>Resource outflows related to products and services.</b>	<b>Potential negative</b> impacts relate to the envisaged expansion of energy transmission infrastructure.	-*	-**
<b>Waste</b>	<b>Actual negative</b> impacts arise from waste generated by the Group's activities and throughout the value chain.	-*	Upstream and downstream value chain

\* No material risks/opportunities identified.

\*\*Impact on sustainability topics arises directly from the Company's operations, so no value chain location is indicated.

#### E5-1 - POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

The Company's pollution-related impacts are managed through the implementation of the Environmental Policy, which applies to all EPSO-G Group companies. Under this policy, the Company is committed to applying pollution prevention principles, reducing waste, and ensuring its safe and responsible management. The implementation of the Environmental Policy is overseen by the Group's company managers and Environmental Functional Supervisors.

Together with the Group, the Company has set objectives for responsible supply chain management, with a key focus on ensuring a sustainable supply chain and financial stability. It is committed to ensuring that 50% of contracts will be signed with suppliers that aim to reduce their greenhouse gas (GHG) emissions by 2035. Additionally, the Group seeks to transition to circular procurement by 2035.

To achieve this, a sustainable supplier programme will be developed, ensuring that the financial strategy is aligned with the EU Taxonomy.

#### E5-2 - ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

##### EFFICIENT USE OF RESOURCES

The Company is continuously taking steps to improve resource efficiency and promote a circular economy, thereby reducing its environmental impact:

- During the maintenance and repair of NG pipelines, removed components (e.g. metal pipes) are recycled. In 2024, the Company replaced 2,514.05 metres of pipeline and carried out repairs, ensuring that all replaced pipeline metals were transferred to metal recyclers.
- Serviceable pipeline components are refurbished and reused in new projects where possible.
- The quantities of waste generated are recorded in the PPWAIS (Unified Product, Packaging, and Waste Accounting Information System) in compliance with legal requirements.
- When replacing old office furniture, auctions are organised to allow employees to purchase items, giving them a second life. The sale occurs in three phases, with prices gradually reduced to encourage reuse. If furniture remains unsold after these phases, it is sent for recycling. In 2024, 98 pieces of office furniture and equipment were sold, while in 2023, 50 end-of-life assets (trailers, car parts, etc.) were sold.
- The Company has an Asset Management Team dedicated to ensuring that circular economy principles are applied as extensively as possible.

**In 2024, all public procurement was conducted as green procurement, in compliance with legislative requirements.**

## SUSTAINABLE SUPPLY CHAIN

One of the key objectives for 2025 is to establish a sustainable and responsible supply chain. The planned actions for 2025 include:

- Reviewing and, if necessary, adjusting the Group's screening process for business partners, including the Group's Supplier Code of Conduct.
- Enhancing the information system for supplier screening.
- Conducting the initial analysis required to develop a new sustainability initiative in procurement—the Supplier Sustainable Engagement Programme.

## WASTE MANAGEMENT

The Company is committed to ensuring that waste generated from the operation and maintenance of the gas transmission network is managed in line with circular economy principles:

- Waste, including valuable raw materials such as metals, is sorted and sent to certified recyclers to ensure its reintegration into the market.
- Disassembled and reusable equipment parts are stored and repurposed for future maintenance work, reducing the need for new raw materials.
- Contractors carrying out repairs are required to separate waste on-site and report on its transfer to recyclers.
- The Company actively promotes the circular economy by collaborating with all stakeholders in the value chain, including waste management partners. The goal is to ensure that 100% of recyclable waste is returned to the market, contributing to resource conservation, waste reduction, and sustainable practices.
- Contractors involved in waste management are obliged to comply with circular economy principles by separating waste, transferring it to certified recyclers, and providing the Company with detailed information on waste management processes. They must also report on the quantities of recycled materials, ensuring transparency and effective waste management monitoring.

### E5-3 - TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY<sup>8</sup>

The Company and the Group have set ambitious long-term goals for responsible supply chain management. The primary objective is to establish a sustainable, environmentally friendly supply chain while ensuring efficient financial management.

One of the key targets is to ensure that **by 2035, at least 50%** of contracts are awarded to suppliers that commit to reducing their greenhouse gas (GHG) emissions and adopting environmentally friendly practices. This initiative not only aims to minimise indirect environmental impacts but also encourages suppliers to contribute to climate change mitigation goals.

Additionally, the Group plans to transition to a **circular procurement model by 2035**, prioritising renewable, recyclable, and sustainable materials. This approach will help reduce waste, enhance resource efficiency, and ensure responsible and effective supply chain operations.

### E5-4 - RESOURCE INFLOWS

The Company's operations require a wide range of technical materials and equipment to ensure safe and reliable service delivery, including the maintenance and repair of the gas transmission network. The selection and use of these materials and equipment are based on high quality and sustainability standards to optimise operational processes and minimise environmental impact.

#### Main technical materials used:

- Metal parts (steel, copper): Pipe sections, valves, connectors, and other critical components essential for maintaining and upgrading network infrastructure.
- Plastic components: Insulation materials and sealants used to protect and seal pipelines.
- Petroleum products and chemicals: Lubricants and other chemicals are used in an optimised manner to reduce environmental impact.

#### Equipment used for network maintenance and repair:

- Heavy machinery: Excavators and cranes required for pipeline installation, rehabilitation, and earthworks.
- Operational equipment: Compressor sets, boilers, and other equipment necessary for maintaining power supply and grid stability.
- Vehicles: Trucks and specialised vehicles for transporting equipment and materials to sites, as well as cars for staff mobility.
- IT equipment: Digital monitoring systems for real-time network surveillance, data analysis, and rapid response to disturbances.

The Company continuously reviews and enhances its material and equipment management processes to ensure operational efficiency, environmental compliance, and contribute to the sustainable development of the gas transmission network.

The primary resource required for the Company's operations is natural gas. In 2024, 433,117 MWh of natural gas was consumed for operational processes and other uses. At present, Amber Grid does not have data on the total weight (in tonnes) of other resources consumed during the reporting period.

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## E5-5 - RESOURCE OUTFLOWS

The Company's natural gas transmission activities generate specific waste streams, including metal, construction and insulation materials, petroleum products, and electronic waste. All waste is segregated and either sent to certified recyclers or managed in compliance with hazardous waste regulations. The goal is to minimise environmental impact and promote a circular economy.

Metal waste generated during the replacement of sections of the main gas pipeline is handed over to specialised metal collectors. Waste flow data is regularly obtained from waste handlers and recyclers, based on formal transfer notes provided by contractors and certified waste collectors.

These processes ensure transparent waste management and support the Company's commitment to operating responsibly and sustainably, minimising environmental impact, and using natural resources efficiently.

### Waste generated from operations

Waste generated, t				
	2024	2023	2022	2021
Total amount	451.99	3 076.75	1 170.24	78.23
Hazardous	25.67	40.76	28.66	38.10
Non-hazardous	426.32	3 035.99	1 141.58	40.12
Waste diverted to recycling				
Total amount	393.10	3 041.63	1 102.63	61.78
Hazardous	0.00	13.79	12.53	26.75
Non-hazardous	393.10	3 027.84	1 090.11	35.13
Waste diverted to reuse				
Total amount	Not available	Not available	Not available	Not available
Waste diverted to other recovery operations*				
Total amount	28.38	0.00	0.00	0.00
Hazardous	15.72	0.00	0.00	0.00
Non-hazardous	12.66	0.00	0.00	0.00
Waste directed to disposal (combustion with energy recovery)				
Total amount	28.38	32.77	39.57	13.88
Hazardous	15.72	26.97	16.14	11.36
Non-hazardous	12.66	5.80	23.43	2.52
Waste directed for disposal (landfill)				
Total amount	1.69	2.35	28.04	2.47

Hazardous	0,00	0.00	0.00	0.00
Non-hazardous	1.69	2.35	28.04	2.47

**Comments:** The Company's activities do not generate radioactive waste.

\* According to the report submitted by the waste handler, in compliance with the Waste Management Regulations and waste disposal codes, most of the waste is classified under recovery code R12. This indicates that the waste is being recycled or reprocessed before undergoing any of the activities listed under codes R1–R11. The R-code classification (R1–R12) refers to waste recovery processes, which include recycling, reclamation, and other forms of reuse.

In 2024, the amount of non-hazardous waste was seven times lower than in 2023. As mentioned earlier, waste flow and volume are significantly influenced by the projects and maintenance works carried out during the reporting year. More than 80% of the waste generated by the Company consists of metallic waste, primarily produced during the reconstruction of main gas pipelines (MG). Given the lower volume of MG reconstruction projects in 2024, a corresponding decrease in waste generation was recorded.

As in previous periods, the vast majority of waste (**93%** in 2024) was diverted to recycling or other recovery operations.

#### Non-recycled waste

Non-recycled waste*		
	Total amount, t	Share, %
2024	30.07	6.65
2023	32.12	1.14
2022	67.61	5.78
2021	16.35	20.91

**Notes:** \* Non-recycled waste is the amount of waste that is sent for disposal. In this case, according to the definition of the ESRS standard, *non-recycled* waste is that which has been disposed of and has not been diverted into recycling or recovery operations.

## 8.6. SOCIAL AREA

### S1 OWN WORKFORCE

#### SBM-3, S1 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

##### MEASURES TO ENSURE THE WELL-BEING AND SUSTAINABILITY OF THE COMPANY'S EMPLOYEES

The Company recognises that employee well-being is important both for sustainable business development and for long-term success. Therefore, employee-related sustainability issues are continuously monitored and evaluated to ensure a safe, inclusive and motivating working environment. The Company actively seeks to ensure that employees are provided with the necessary support and conditions to develop and that potential risks are identified and managed in a timely manner.

Sustainability matters related to employees, which are addressed in this part of the report, include work-life balance, fair pay, health and safety measures, training and development opportunities, and the promotion of diversity and inclusion. The Company places great emphasis on protecting privacy and strives to create an environment where every employee feels respected, valued, and safe.

The table below summarises the main sustainability topics related to employees and the related impacts, risks, and opportunities.

#### Material impacts and risks related to own workforce

Sustainability topic	Impacts	Risks and opportunities	Location in the value chain
Working time. Work-life balance	Actual negative impact on workers operating in outdoor conditions (non-administrative jobs).	_*	_**
Adequate wages	Actual positive impact due to a transparent remuneration policy.	_*	_**
Social dialogue. Freedom of association, the existence of work councils and employees' rights to be informed, consulted, and to participate. Collective bargaining, including the share of employees covered by collective agreements.	Actual positive impact is created through open and active communication and communication with trade unions, work councils, and workers.	_*	_**
Health and safety	Potential negative impact on workers' health and safety due to specific working conditions, especially for those working on-site and in outdoor environments.	Risks arise from non-compliance with health and safety requirements.	_**
Training and skills development	Actual positive impact arises from the provision of internal and external skill development programs (including soft skills) and job improvement programs for all employees within the Group.	_*	_**
Employment and inclusion of persons with disabilities	Actual negative impact due to minimal inclusion of people with disabilities.	_*	_**
Privacy	Potential negative impact due to the improper processing of personal data, including by third parties, and personal data breaches, which may adversely affect employees' rights as data subjects.	_*	_**

\*No material risks/opportunities identified.

\*\*The impact arises in own operations and therefore the location of the value chain is not specified.

## ACTIVITIES INVOLVING INCREASED RISK

The Company's employees are exposed to a high-risk working environment when working outdoors, in civil engineering structures (e.g. GDS, GCS) and in safety zones where gas pipeline operations are carried out. As a result, Amber Grid pays particular attention to their safety, training, and professional development.

To ensure the highest safety standards, employees regularly receive specialised professional and technical training to keep their knowledge and skills up to date. Practical exercises are also carried out to give employees the skills that are relevant to real-life situations.

## RISK ASSESSMENT AND MANAGEMENT

Amber Grid has carried out a detailed analysis of the potential hazards and risks related to the impact of natural gas transmission system disruptions on third parties. In addition, an **Emergency Management Plan** has been prepared to organise the localisation and response of events. The staff involved in these

procedures are properly trained and instructed and practical exercises are carried out each year to reinforce their preparedness to respond to emergencies.

## OCCUPATIONAL RISK ASSESSMENT

The Company has assessed the occupational risks for all employees, identifying potential adverse health effects and providing effective risk reduction and management measures. The occupational risk assessment is periodically updated to take account of changes in working conditions and the latest safety practices.

This safety management system ensures that Amber Grid's employees are well prepared, informed, and protected in challenging conditions.

In addition, the Company carries out remote monitoring of gas pipelines, which allows it to promptly identify potential risks and ensure the safety and efficient management of infrastructure.

## S1-1 – POLICIES RELATED TO OWN WORKFORCE

The Company's activities are guided by the highest ethical and human rights standards in accordance with international principles and national legislation. The United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises are applied in the organisation's activities. These principles are integrated into internal policy documents, including the **Code of Ethics**, the **Equal Opportunities Policy**, the **Remuneration, Performance Appraisal, Development Policy**, and the **Policy on Prevention of Discrimination, Harassment, and Violence**. This ensures a clear and consistent approach to building respectful, fair, and responsible working relationships.

## A CULTURE OF DIVERSITY AND INCLUSION

The Company strives to create an inclusive work environment where every employee feels valued, respected, and has equal opportunities. This is achieved through a **Diversity and Inclusion Strategy**, which includes the inclusion of diverse groups in the labour market, the strengthening of managerial competences, and the application of transparent and objective selection processes. Employees are actively encouraged to participate in inclusion initiatives, such as sharing personal stories, and training and events, which contribute to building a tolerant and open organisational culture.

## PROHIBITION OF DISCRIMINATION AND VIOLENCE

Any form of discrimination, harassment, psychological violence, or mobbing is not tolerated in Amber Grid's operations. The Company shall ensure that the working environment is free from discrimination regardless of gender, age, nationality, disability, religion, or other factors. Harassment, psychological violence, and abuse of position shall be prevented. Ensuring that all employees work in a respectful, safe, and supportive environment.

The Company's employment relationship is based on equal opportunities, respect, and dignity. Every employee is provided not only with safe working conditions that meet their needs, but also with opportunities for professional and personal development.

The Company's policy is that every member of the organisation, regardless of their position, is responsible for a respectful and safe working environment. Even in the absence of obvious signs of discrimination, harassment or violence, the Company actively promotes a positive organisational culture, reinforces prevention, and ensures the well-being of employees.

## PRINCIPLES OF THE CODE OF ETHICS

The Company's Code of Conduct clearly defines the principles that ensure fair, responsible, and ethical behaviour within the organisation. The Code states that communication should be cordial, respectful and fact-based. It ensures the protection of personal dignity, privacy, and reputation, and strictly prohibits any discrimination based on sex, ethnic origin, age, religious beliefs, political opinions, sexual orientation, marital status, disability, or any other characteristics.

Where legislation or the Code of Conduct does not provide a clear standard of conduct in certain situations, staff are encouraged to apply the highest standards of integrity, reliability, and transparency. The Company strives to create an organisational culture in which ethical behaviour is not only the rule, but also a daily practice.

## EQUAL OPPORTUNITIES POLICY

The Group has an **Equal Opportunities Policy**, which complies with the United Nations Sustainable Development Goals and national legislation. Amber Grid actively supports and participates in social initiatives aimed at ensuring human rights and equal opportunities for all employees.

### The policy ensures that:

- The remuneration system is clear, transparent, and based on objective criteria.
- Employees have equal opportunities for development and career advancement, regardless of their personal or social characteristics.
- The organisation fosters an inclusive culture based on goodwill, mutual trust, and cooperation.

## PREVENTIVE MEASURES AND TRAINING

The company has a **Discrimination, Harassment, and Violence Prevention Procedure**, which includes specific measures to prevent intolerable behaviour. It provides for the appointment of responsible persons, training, and information dissemination to raise awareness and ensure a safe working environment. Workers are encouraged to report observed violations through anonymous reporting channels.

To improve the effectiveness of prevention activities, the Company organises regular training for both employees and managers. This training includes practical situations and concrete examples of how to recognise and avoid discrimination or harassment.

## RESPONSIBILITY AND MONITORING

The organisation has a permanent monitoring system to prevent discrimination. All reports of possible violations received are analysed to identify risk factors and improve internal processes. The Company has an active trade union representing the interests of its employees and participating in decision-making concerning their welfare, working conditions, and rights.

The Company also pays particular attention to supply chain management, ensuring that human rights and labour protection principles are applied to all partners and suppliers.

In 2025, Amber Grid plans to seek the **Equal Opportunities Ombudsperson's** recognition – the '**Equal Opportunities Wings**' award – which would confirm the organisation's efforts to create an equitable, safe, and inclusive working environment for all employees.

## S1-2 – PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

The Company implements a range of measures to promote employee involvement in the organisation, ensuring their rights, well-being, and ability to influence decision-making.

### Channels for employee feedback and suggestions:

- **Employee engagement surveys** – regular surveys to gather employees' views on working conditions, motivation, and opportunities for improvement.
- **Annual interviews with line managers** – one-to-one meetings to discuss each employee's contribution, professional development, and aspects of improving the working environment.
- **Performance evaluation questionnaires** – an opportunity to anonymously express employees' views on work processes, management support, and personal career prospects.
- **The annual top management meetings with employees** – provide a direct opportunity for employees to raise important issues and make suggestions on strategic issues for the organisation.

## OPERATION WITH TRADE UNIONS AND EMPLOYEE REPRESENTATIVES

The Company has a **collective agreement** with the trade union/employee representatives that provides information and consultation on planned workforce changes. This includes changes in work organisation, changes in remuneration policy, and other decisions that may affect employees' interests.

### The Company maintains an ongoing dialogue with the trade union:

- **Responsible person** – the Head of Organisational Development coordinates the cooperation.
- **Regular communication** – both written and verbal, inviting people to collective bargaining, consultations, and informing them of changes in the organisation.
- **Meetings** – quarterly meetings with trade union representatives were organised in 2023 and 2024 to discuss:
  - Implementation of the collective agreement.
  - Results of the Employee Engagement Survey.
  - Remuneration policy.
  - Consultations on redundancies and other important issues.

## ASSESSING THE EFFECTIVENESS OF EMPLOYEE ENGAGEMENT

### The Company continuously analyses the effectiveness of its employee engagement measures based on:

- Results of employee engagement surveys.
- Information gathered during the annual interviews.
- Expert judgement.

These measures help to ensure that workers' voices are heard, their interests are represented, and the organisation's decisions are taken in a way that considers social responsibility and the well-being of workers.

The Company adheres to the EPSO-G Group policy, developing its activities in line with the guidelines and principles set out in the Group's sustainability documents.



### S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Amber Grid has processes in place to prevent and manage negative impacts. If the Company's activities cause adverse impacts or if employees are exposed to inappropriate behaviour, they can raise their concerns and make reports through the following channels:

**Amber Grid Trust Line:** [sauga@ambergrid.lt](mailto:sauga@ambergrid.lt).

**EPSO-G Group Trust Line:** [pranesk@epsog.lt](mailto:pranesk@epsog.lt)

**E-notification form:** available on the Company's website <https://pranesk.epsog.lt>.

**Telephone:** +37061270606.

**By post** to the Company's registered office at Laisvės pr. 10, Vilnius.

**By communication with those directly responsible:**

Head of Information Security.

Prevention Officer (responsible for corruption prevention).

Equal Opportunities Officer.

Social Responsibility Project Manager.

If they are temporarily absent, the information can be provided to their designated replacements.

**To the line manager:** employees can also contact their line manager with any concerns about the working environment or operational processes.

These channels are available to all employees of the Company. Reports can be made both by those who have direct experience of the situation and by those who have observed misconduct or received information about possible violations. Reports may be made anonymously or by revealing your identity, depending on the method chosen.

In addition, employee suggestions and concerns are conveyed to the Company by the **Trade Union**, fostering a constructive dialogue between employees and management.

### HANDLING AND PROTECTING NOTIFICATIONS

The Company has integrated monitoring and performance assurance processes to ensure that reporting channels are legal, accessible, transparent, and are based on the protection of workers' rights. All whistleblowing reports received are dealt with in accordance with the mechanisms established at Group level, ensuring a prompt response and the implementation of appropriate actions.

**Employees have access to all internal legislation relevant to their work, including:**

- Procedures for the prevention of discrimination, violence and/or harassment, and sexual harassment.
- Other policies related to employee rights and work culture.

These documents are filed in the Company's document management system and are available to all employees for review.

### PROTECTION OF WHISTLEBLOWERS

Whistleblower protection is described in detail in disclosure **G1-1** of this report. The Company shall ensure the safe and confidential handling of reports and the protection of whistleblowers and other informants from any possible discrimination or adverse consequences as a result of the information provided.

## **S1-4 – TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS**

The Company implements consistent and targeted actions to manage employee-related impacts, risks, and opportunities in order to ensure the well-being of its employees, promote their professional development, create a safe and supportive working environment, and guarantee equal opportunities for all without exception.

### **DIVERSITY, EQUALITY, AND INCLUSION**

Actions and initiatives in recent years have contributed to increasing employee engagement, building trust in the organisation and ensuring consistent implementation of policies. A Diversity and Inclusion Strategy was developed and launched in 2024 to promote equality, inclusion, and tolerance in all areas of the Group's operations.

#### **Progress and achievements:**

- New e-learning course 'Diversity and Inclusion: Equal Opportunities at Work' was introduced to employees, with approximately 60% of Amber Grid employees successfully completing it by the end of 2024.
- Between 2023 and 2024, more than 80% of the Company's employees received diversity and equal opportunities training to raise awareness and foster an inclusive work environment.
- The Equal Opportunities Month events, discussions, and training sessions in November raised staff awareness of the importance of equal opportunities and encouraged them to become more involved in equal opportunities initiatives.

#### **By 2027, Amber Grid will implement the following measures to promote equal opportunities:**

- Employee survey and Equal Opportunities Ruler – to measure organisation's progress.
- Diversity and Inclusion Ambassadors Club – to promote employee engagement.
- Consistent communication and training – for both employees and managers.
- Creating an equal opportunities space on the intranet – to increase accessibility of information.
- Mentoring programme – for employee development and career progression.

### **EMPLOYEE ENGAGEMENT SURVEY**

Amber Grid's Employee Engagement Survey, conducted in January 2024, attracted a very high level of participation, with **96% of** employees expressing their opinion. This high level of engagement confirms that employees take an active interest in the organisation's activities and want to contribute to improving the working environment.

The survey assesses key aspects of the working environment: work/leisure balance, opportunities for learning and professional development, equal opportunities, reward system, and overall satisfaction with working conditions.

Given the importance of the survey for the growth of the organisation, the Employee Engagement Survey is planned to be carried out on an annual basis in order to systematically analyse the situation and make data-driven decisions.

## WORK-LIFE BALANCE

According to the 2024 Employee Engagement Survey, employees have a positive attitude towards work-life balance. In order to maintain this positive perception and to further enhance the well-being of employees, the Company is continuing to apply **a hybrid working model**, allowing some work to be delivered remotely at certain times in the week. This allows employees to flexibly combine professional and personal needs.

In addition, in 2024, the Company has made it possible for employees to work **remotely from abroad** for a period of time. 10 employees have already used this option and their experience shows that this model is convenient and contributes to increasing motivation and engagement.

To ensure a balance between work and rest, the Company keeps track of fixed **working and rest times**, which are documented in timesheets. For greater transparency, monthly reports will be made available to each head of unit from 2024. This practice will continue in 2025, ensuring the long-term well-being and productivity of employees.

A review of the documents governing working time and rest periods was launched in 2024 in response to the changing needs of work organisation and recent changes in legislation. The following provisions are currently under review: Work Regulations, Procedure for Filling in Working Time Records, and Procedure for Passive On-Call Duty at Home. These changes are expected to contribute to a more effective work-life balance and to a positive working environment.

## REMUNERATION

In 2024, the Company has successfully fulfilled all its obligations to employees under the current **Remuneration Policy**:

- Remuneration ranges have been reviewed and their competitiveness in the market has been ensured.
- Monthly salaries for employees have been increased.
- Bonuses and financial incentives have been awarded for outstanding achievements and innovations.

The Company's remuneration system ensures that pay is transparent, fair, and equally accessible to all employees, regardless of their personal or social characteristics.

### Key principles of the reward system:

- Right to remuneration review and financial incentives – employees may be eligible for salary increases based on their performance and contribution to the organisation's goals.
- Transparent remuneration ranges – defined salary intervals are accessible to all employees via the internal intranet system.
- Performance-based incentives – bonuses and additional rewards are granted for outstanding achievements and innovative solutions.

These principles ensure that every employee in the Company is properly valued, motivated, and has clear prospects for both career and financial growth.

## EMPLOYEE PERFORMANCE EVALUATION

In 2024, the Company organised employee performance evaluation calibration sessions for the first time. During these sessions, managers from different departments jointly reviewed and aligned employee performance assessment results to ensure objectivity, transparency, and a unified evaluation standard across the organisation.

**The main objectives of the calibration sessions:**

- Ensuring that all employees are evaluated according to the same criteria, regardless of their role or job nature.
- Strengthening transparency and consistency in the evaluation process across departments.
- Encouraging responsible and honest feedback to support employee development.

Based on the positive results of the first sessions and feedback from employees and managers, the calibration process will be continued and improved in the coming year.

**ADDITIONAL HEALTH INSURANCE**

In 2024, the Company decided to increase funding for voluntary health insurance for employees. This decision was made in response to rising healthcare costs, ensuring that employees continue to have access to the same comprehensive package of services as in previous years.

Health insurance is not only an additional benefit but also a key motivator and a vital employee well-being tool. The Company is committed to continuously monitoring market trends and, when necessary, improving insurance terms and conditions to maintain the accessibility and quality of healthcare services for all employees.

Moving forward, the Company will continue to prioritise employees' access to the best possible healthcare options, supporting their long-term well-being and job satisfaction.

**WORKERS' REPRESENTATIVES FOR HEALTH AND SAFETY**

The Company has an active system of workers' representatives to ensure that every employee's interests in occupational safety and health are represented. Currently, this role is fulfilled by **14 employee representatives**, who have a mandate to actively contribute to a safe and healthy working environment. In addition, the Company has an **Occupational Health and Safety Committee** that collaborates closely with employee representatives to continuously improve safety processes. All employees are encouraged to share observations, suggestions, or concerns regarding workplace safety and health.

Workers' representatives play an active role in key health and safety decisions. They participate in discussions and decision-making on matters such as occupational risk assessment, the selection of personal protective equipment (PPE), and the implementation of drink-driving prevention measures. This approach ensures that employees are not only heard but also actively contribute to their own well-being and that of their colleagues. At the same time, the Company maintains a transparent, inclusive, and effective safety management process.

**ASSESSMENT OF PSYCHOSOCIAL RISK FACTORS**

In 2024, the Company conducted a **psychosocial risk assessment** to evaluate the emotional climate of the workplace and identify potential risks to employee well-being. A total of 208 employees participated in the assessment, representing 61.3% of the Company's workforce.

**Positive changes compared to 2022:**

- Improved relationships with colleagues and managers.
- Increased job satisfaction.
- Greater work flexibility.

These assessments provide valuable insights into employees' needs, enable the timely identification and mitigation of potential risks, and help maintain a positive emotional environment that enhances employee productivity.

The Company remains committed to systematically monitoring employee well-being and implementing measures to foster an even more supportive and motivating work environment.

**TRAINING AND SKILLS DEVELOPMENT**

Amber Grid actively invests in training and skills development in order to build a motivated, competent, and continuously developing team.

The Company understands that strengthening the competences of its employees is key to the long-term success of the organisation, and has therefore set ambitious targets in this area.

**Progress and achievements in 2024:**

- **Strengthening engineering competences.** The **Level\_UP** programme to enhance the knowledge of engineering staff in the areas of construction, technical standards, and other areas has been implemented. In 2025, the programme is planned to be continued with a new phase - **Level\_UP II**.
- **Identifying future competences.** In 2024, the Company, together with the Group, implemented a process to identify future competences. In 2025 and beyond, actions are planned to be implemented to develop the competences of employees necessary to achieve the Company's strategic objectives.
- **Professional competences matrices:** competences matrices have been developed for 2024 to help identify existing gaps and development needs. It will set out a roadmap of actions to be implemented from 2025 onwards.
- **Management clubs and training.** In 2024, the Company organised management clubs for managers to strengthen their management competences and skills. In 2025, it is planned to continue the management clubs and to provide additional training for managers.
- **Organising global training.** All employees received training on topics such as digitalisation, innovation, legal awareness, and career issues. Training records were uploaded to an e-learning system accessible to all staff.
- **Targeted training programmes.** Specialised training was organised for targeted groups of employees, for example on the application of the EU General Data Protection Regulation (GDPR), contract management, English language development and other relevant topics.
- **Development of an e-learning system:** Since 2024, an e-learning system has been developed to host up-to-date training records. The system allows staff to study at their convenience and keep their knowledge up to date.
- **Good practice sharing initiatives.** Initiatives to share good practices have been organised by targeted groups of employees. These initiatives strengthen internal cooperation and promote continuous learning.

In 2025, the Company plans to continue its initiatives and further invest in employee development. Programmes will be implemented to strengthen general and leadership competences, launch a mentoring programme, and continue existing development activities. These initiatives will provide employees with opportunities to grow, share experiences, and enhance both their professional and personal skills, contributing to the overall growth of the organisation.

## MONITORING THE EFFECTIVENESS OF ACTIONS AND INITIATIVES

The Company consistently monitors and evaluates the effectiveness of its initiatives through various indicators and employee feedback. The organisation uses the following methods to ensure a high quality working environment and employee engagement:

- **Employee engagement surveys.** The annual surveys monitor changes in indicators and assess how different measures contribute to employee satisfaction and engagement.
- **Analysis of key performance indicators (KPIs).** Monitoring changes in KPIs helps to assess the result of the actions implemented.
- **Evaluating the results of the training.** Participant numbers and feedback on the usefulness and applicability of the training to daily activities.
- **Analysis of Reports on Potential Violations.** The continuous registration of reports enables the assessment of the effectiveness of preventive measures and, if necessary, the implementation of additional actions to ensure a safe, transparent, and respectful working environment.

**Trade unions** play a vital role in ensuring workers' well-being. Regular meetings provide a platform to discuss employees' needs, challenges, and expectations while reviewing information on planned and implemented initiatives.

The Company regularly reviews and updates existing policies and strategies, such as the Equal Opportunities Policy and the Diversity and Inclusion Strategy, taking into account employee feedback and data collected. This ensures that the decisions taken are in line with real needs and contribute to a positive working environment.

The results indicate that the existing measures and initiatives are effective, with employees appreciating the opportunity to contribute to the decision-making process and share their insights.

## PREVENTION OF NEGATIVE IMPACTS

The Company consistently strives to ensure that its activities do not negatively impact employees by implementing actions based on legislation, internal policies, and international standards. All processes are regularly reviewed, and risk management measures are in place to prevent potential breaches and uphold a high level of employee well-being.

Dedicated teams continuously analyse information received through employee engagement channels in accordance with the Equal Opportunities Policy and other relevant regulations. When potential violations are identified, immediate interventions are taken, or long-term preventive measures are planned to maintain a safe and respectful working environment.

To foster trust, the Company actively communicates decisions to employees, explaining the rationale behind them. Employees are encouraged to provide feedback to further enhance organisational practices and ensure the continuous improvement of employee well-being.



The Company remains committed to strengthening risk management mechanisms and preventive measures to ensure a safe, transparent, and supportive working environment for all employees.

## RESOURCES FOR IMPLEMENTING THE ACTION PLAN

The Company consistently invests in employee well-being, allocating both human and financial resources to various initiatives each year. A dedicated budget is set aside for well-being programmes, training, and workplace improvements, fostering employee motivation, engagement, and professional growth.

In addition, funds are allocated to the development of information systems, including enhancements to messaging channels, document management, and other internal platforms. These investments ensure a smooth flow of information, streamlined work processes, and improved communication—both among employees and with external stakeholders.

The 2024 budget covered the following main areas:

- Education – EUR 222 thousand
- Health insurance – EUR 165 thousand
- Occupational Safety and Health (OSH) – EUR 133 thousand

The following financial resources are foreseen for 2025:

- Education – EUR 254 thousand
- Health insurance – Eur 208 thousand
- Occupational Safety and Health (OSH) – EUR 183 thousand

## S1-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

Amber Grid's sustainability objectives are closely linked to its strategic goals to promote diversity, inclusion, and a strong organisational culture. These objectives focus on creating a unified, engaging work environment, developing employee competencies and building long-term employee engagement.

The 2025-2027 objectives are aligned with the Company's sustainable development provisions, taking into account the organisation's long-term aspirations.

### 1. ENSURING DIVERSITY AND INCLUSION

Strategic goal: Implement diversity and inclusion measures to ensure equal opportunities and an inclusive work culture.

#### 2025 targets:

- The proportion of female employees in the Company - 25% (2024: 25.85%).
- The proportion of employees with disabilities in the Company - 1% (2024: 0.57%).
- Implementation of Equal Opportunities Month initiatives in November.
- Implementation of the 'Wings of Equality' assessment plan in all Group companies.
- Diversity and inclusion measures are implemented according to the approved plan.
- Signing of the Diversity Charter.

**2026 targets:**

- The proportion of female employees in the Company - 28%.
- The share of women in top management positions is  $\geq 19\%$  (2024: 17%).
- Proportion of employees with disabilities in the Company -  $\geq 2\%$ .

**2027 targets:**

- The proportion of female employees in the Company is 30%.
- Proportion of employees with disabilities in the Company -  $\geq 4\%$ .
- Women in top management positions -  $\geq 21\%$ .
- Diversity of age groups: share of workers under 30 and over 60: 10% in each group by 2027 (2024: 7.39% for workers under 30, 32.67% for over 60).

**2. BUILDING A CAPABLE AND SUSTAINABLE ORGANISATION**

Strategic Objective: to ensure that the Company has the necessary competencies, fosters internal talent potential, and effectively plans workforce continuity and knowledge transfer.

**2025 targets:**

- Develop leadership and general competency training programmes.
- Ensure 100% success rate in recruiting to the required positions (2024: 100%, with the aim of maintaining the same level and ensuring that the required positions are successfully filled).
- Implementation of the Leadership Programme: a programme is to be developed and implemented by the last quarter of 2025.
- 70% of critical positions are filled by internal candidates (2024: 65%).
- A workforce continuity plan with a development calendar has been prepared.

**2026 targets:**

- All critical positions have at least one replacement candidate
- 70% of critical positions are filled by internal candidates.

**2027 targets:**

- Ensuring 100% success rate in recruiting for the right positions.
- All critical positions have at least one replacement candidate.
- 70% of critical positions are filled by internal candidates.

**3. INCREASING EMPLOYEE ENGAGEMENT**

Strategic objective: to ensure employee engagement of no less than 70% annually (2025–2027).

**2025 targets:**

- Conduct an annual employee engagement survey and implement an action plan based on its findings.
- Employee engagement rate - no less than 70% (2024: 72%)
- Develop and implement an Employee Value Proposition programme.
- Implement the Top Employer certification audit.

- Develop a Values-based Behaviour Programm.

**Objectives for 2026-2027:**

- Certification of at least one company within the group as a Top Employer.

**SETTING TARGETS AND MEASURING PROGRESS**

The Company consistently monitors and evaluates progress towards the targets through key performance indicators (KPIs), which are presented in the Company's indicator monitoring system. This system ensures that targets are achieved on time and within the set quality and quantity targets. The indicator monitoring process is carried out on a regular basis and the results are recorded in quarterly and annual reports.

The Company's objectives are developed in a targeted manner to align with the Company's strategic goals of inclusion, equal opportunities and the development of organisational culture. These objectives are pursued through a consistent monitoring process and the active involvement of employees to ensure their engagement and contribution to the success of the organisation.

The company's objectives are designed to ensure effective impact management and the implementation of opportunities across the Group's businesses. The objectives cover all locations in Lithuania and span the value chain from the initial to the final stages.

The objectives are based on national and international policy guidelines, the principles of sustainable development, and social responsibility. Each target has a clear methodological framework with action plans, indicators, and targets.

The Company's objectives were set on the basis of a detailed analysis of internal and external data. The results of the employee engagement surveys, the requirements of the Labour Code, and other relevant legislation, as well as the organisation's internal documents were taken into account in assessing the objectives.

The diversity and inclusion objectives are aligned with the provisions of the Labour Code of the Republic of Lithuania, the recommendations of the Equal Opportunities Ombudsperson, and are also in line with the UN's Sustainable Development Goals (SDGs). These objectives are also oriented towards compliance with UN and OECD standards, ensuring the implementation of internationally recognised principles of human rights, equal opportunities and social responsibility.

In setting the objectives, the Company modelled different scenarios to assess the long-term impact on employee motivation, engagement and strengthening the culture of the organisation. This modelling allowed for an early assessment of potential risks, anticipation of the impact on the working environment, and informed decision-making.

Significant assumptions that have been taken into account:

- **Promoting diversity, inclusion and women's leadership:**

Diversity and inclusion within an organisation contribute to greater operational efficiency, improved decision-making quality, and enhanced innovation potential. Research shows that diverse experiences and perspectives foster more creative and innovative solutions. The Company is committed to promoting women's leadership and ensuring equal opportunities for all employees.

- **Sustainable development of the organisation:**

For long-term success, we must consistently invest in developing employee competencies, training

managers, and creating internal career opportunities. The Company plans to continue this investment, strengthening employee engagement and fostering professional growth.

- **Consistency with EU and national objectives:**

To support EU and national policy objectives, priorities such as increasing the representation of women in management positions and adapting the working environment for people with disabilities have been included in the Company's objectives. These initiatives will contribute to the Company's corporate social responsibility goals and enhance its reputation as a socially responsible employer.

The Company actively learns from its performance and continuously improves processes to further increase the positive impact on employees. The Company will continue to look after the well-being of its employees by expanding additional programmes. Particular attention will be paid to health initiatives and psychological support programmes to maintain the emotional and physical well-being of employees.

## CHANGES TO THE METHODOLOGIES FOR TARGETS AND INDICATORS

In 2024 and the beginning of 2025, the Company has made changes to the methodologies for setting and measuring targets and indicators to better reflect the context of the Sustainability Objectives and to ensure their relevance and accuracy.

To align the indicators with the latest national and international sustainability requirements, the following changes have been made:

- Updated gender diversity targets – for example, the target for women's leadership positions has been increased to 17% in 2025 and 21% in 2027.
- Revised methodologies for employee engagement and diversity surveys – including more detailed questionnaires and comprehensive reports on survey results.

Revisions to measurement methodologies:

- A centralised digital data management system has been put in place to collect, process, and analyse employee-related data more efficiently. This system ensures the accuracy of monitoring indicators.
- Both quantitative and qualitative indicators have been launched to provide a more comprehensive assessment of performance. Quantitative indicators: for example, the percentage increase in gender representation to help monitor the increase in diversity. Qualitative indicators: for example, feedback from employee engagement surveys to provide a deeper understanding of employee experiences and expectations.

Changes to indicators and measurement methodologies are based on external audits and feedback from employees and stakeholders. Changes are described in internal reports to ensure transparency and comparability of indicators.

## S1-6 – CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

Employee breakdown by gender

Gender	Number of employees (head count)*			
	2024	2023	2022	2021
Male	261	264	257	252
Female	91	87	85	77

Other**	Not applicable	Not applicable	Not applicable	Not applicable
Not reported	0	0	0	0
<b>Total Employees</b>	<b>352</b>	<b>351</b>	<b>342</b>	<b>329</b>

**Notes:** \*The number of employees (headcount) is reported as of the end of the reporting period – December 31. The total number of employees includes those on parental leave as well as interns with employment contracts.

\*\* 'Other' does not apply as it is not legally possible to register as a third gender in Lithuania.

### The number of employees disclosed in the Company's financial statements:

- In the 2024 Annual Management Report – Financial Statements section, page
- In the 2023 Annual Report – Financial Statements section, page 153.
- In the 2022 Annual Report – Financial Statements section, page 150.
- In the 2021 Annual Report – Financial Statements section, page 83.

### Employee breakdown by gender and by employment contract\* (2024, 2023)

	2024					2023				
	Number of employees					Number of employees				
	Female	Male	Other (*)	Not disclosed	Total	Female	Male	Other (*)	Not disclosed	Total
Number of employees	91	261	-	0	352	87	264	-	0	351
Number of permanent employees	86	258	-	0	344	82	263	-	0	345
Number of temporary employees	5	3	-	0	8	5	1	-	0	6
Number of non-guaranteed hours employees	Not applicable									

**Notes:** The number of employees (headcount) is reported as of the end of the reporting period – December 31. The total number of employees includes those on parental leave as well as interns with employment contracts.

\* 'Other' does not apply as it is not legally possible to register as a third gender in Lithuania.

### Breakdown of the number of employees by gender and type of contract (2022, 2021)

	2022					2021				
	Number of employees					Number of employees				
	Female	Male	Other (*)	Not disclosed	Total	Female	Male	Other (*)	Not disclosed	Total
Number of employees	85	257	0	0	342	77	252	0	0	329
Number of permanent employees	76	254	0	0	330	71	249	0	0	320
Number of temporary employees	9	3	0	0	12	6	3	0	0	9

Number of non-guaranteed hours employees	Not applicable
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**Notes:** The number of employees (headcount) is reported as of the end of the reporting period – December 31. The total number of employees includes those on parental leave as well as interns with employment contracts.

\* 'Other' does not apply as it is not legally possible to register as a third gender in Lithuania.

#### Employee turnover

	Employees who left*	Rate of employee turnover**
2024	53	0.15
2023	36	0.1
2022	36	0.11
2021	36	0.11

**Notes:** \*Employees who resigned voluntarily, were dismissed, retired, or passed away while in service. Calculation method: based on headcount.

\*\*The number of employees who left or were dismissed is divided by the total number of employees.

### S1-7 – CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING'S OWN WORKFORCE

#### Workers who are not employees

	Number of non-employees* (headcount / FTE)
2024	0
2023	0
2022	0
2021	0

**Notes:** \*Definition of non-employees used: people with contracts with the undertaking to supply labour ('self-employed people') or people provided by undertakings primarily engaged in 'employment activities' (NACE Code N78). The Company does not have any such employees.

### S1-8 – COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

In 2023, a collective agreement was approved, applicable to all Company employees who are members of the trade union. There are no agreements with employees regarding their representation in the European Works Council, the European Company (SE) Works Council, or the European Cooperative Society (SCE) Works Council.

#### Collective bargaining coverage and social dialogue\*

	Collective Bargaining Coverage		Social dialogue
Coverage Rate	Employees - EEA	Employees - Non-EEA	Workplace representation (EEA only)
0-19%		Not applicable	
20-39%			
40-59%			
60-79%			
80-100%			
80-100 %	Lithuania (100%)		Lithuania (100%)

**Note:** The Company does not have any employees outside the EEA.



## S1-9 – DIVERSITY METRICS

### Gender Distribution at Top Management Level

Gender distribution at top management level								
	2024		2023		2022		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Male	5	83 %	5	83 %	5	83 %	5	83 %
Female	1	17 %	1	17 %	1	17 %	1	17 %
<b>Total</b>	<b>6</b>	<b>100 %</b>	<b>6</b>	<b>100 %</b>	<b>6</b>	<b>100 %</b>	<b>6</b>	<b>100 %</b>

**Note:** The definition of top management used: all top-level managers and the CEO of the Company.

### Distribution of Employees by Age Group

	2024		2023		2022		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Under 30 Years Old	26	7.39 %	28	7.98 %	26	7.6 %	20	6.08 %
30-50 Years Old	211	59.94 %	205	58.4 %	200	58.48 %	197	59.88 %
Over 50 Years Old	115	32.67	118	33.62	116	33.92	112	34.04
<b>Total</b>	<b>352</b>	<b>100</b>	<b>351</b>	<b>100</b>	<b>342</b>	<b>100</b>	<b>329</b>	<b>100</b>

## S1-10 – ADEQUATE WAGES

All salaried employees of the Company receive a fair wage that aligns with applicable benchmark indices. In accordance with legal regulations and market indicators, the adequate wage in Lithuania for 2024 was €924 per month gross (minimum monthly wage, MMA).

## S1-11 – SOCIAL PROTECTION

All employees of the Company are covered by social security, which helps to ensure financial stability in the event of major life events such as illness, loss of employment with the Company, work-related accident or disability, parental leave or retirement. Social security is provided in accordance with the applicable legislation of the Republic of Lithuania and additional benefits offered by the Company.

In accordance with the collective agreement, the Company provides additional support to employees in the event of retirement by paying additional benefits based on length of service, even if this is not required by the Labour Code.

If the employment of an employee is terminated by mutual agreement of the parties when he/she becomes entitled to a full retirement pension, the employee shall be paid a severance payment, the amount of which shall depend on his/her continuous service with the Company:

- 10-19 years – at least 3 average salaries.
- Aged 20-29 – at least 4 average salaries.
- 30 years or more – at least 5 average salaries.

The Company provides additional financial benefits:

- On the birth of a child.
- In the event of an employee's death (support is provided to a family member).
- In the event of the death of an employee's close relative.
- For employees raising three or more children or supporting a child with a disability.

All employees are covered by additional health insurance.

These measures help to ensure the financial security and well-being of employees, strengthening their trust in the Company and promoting their long-term commitment to the organisation.

## S1-12 – PERSONS WITH DISABILITIES

Proportion of workers with disabilities

	Percentage of Employees with Disabilities			
	2024	2023	2022	2021
Total amongst all employees	0.57	0	0	0.3

**Notes:** Data is based on information provided by employees, subject to restrictions on the collection of such information.

## S1-13 – TRAINING AND SKILLS DEVELOPMENT METRICS

Percentage of employees that participated in regular performance and career development reviews

	Percentage of employees that participated in regular performance and career development reviews			
	2024	2023	2022	2021
Total, out of which:	100 %	100 %	100 %	100 %
Male	100 %	100 %	100 %	100 %
Female	100 %	100 %	100 %	100 %

Average number of training hours per employee and by gender

	Average number of training hours per employee			
	2024	2023	2022	2021
Total, out of which:	44.84	77.76	61.5	31.25
Male	51.97	78.29	61.54	43.9
Female	43.62	66.6	59.5	34.83

**Note:** Calculations are based on the number of employees who have actually received training.

## S1-14 – HEALTH AND SAFETY METRICS

Health and safety indicators

	2024	2023	2022	2021
<b>Company employees:</b>				
Number of deaths due to work-related injuries and work-related ill health	0	0	0	0
Number of work-related accidents to be recorded	1	1	2	0
Total annual hours worked by all staff	587 068	590 247	664 747	650 673
Recordable work-related accident rate	1.70	1.69	3.01	0.00
Number of recordable work-related health problems	0	0	0	0
Number of working days lost due to work-related injuries and deaths due to accidents at work, work-related health disorders and deaths due to health disorders	7	6	11	0
<b>Non-employees classified as own labour:</b>				
Number of deaths due to work-related injuries and work-related health problems among non-employees working at the company's sites	0	0	0	0

**Note:** The company has a health and safety management system in place for all employees.

## S1-15 – WORK-LIFE BALANCE METRICS

Percentage of employees that took family-related leave broken down by gender

	<b>Percentage of entitled employees that took family-related leave</b>			
	2024	2023	2022	2021
Total, out of which	0.02	0.022	0.0175	0.033
Male	0.01	0.019	0.0058	0.021
Female	0.01	0.002	0.0116	0.012

**Note:** In accordance with social policy, all employees of the Company are entitled to family leave

## S1-16 – REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

Gender pay gap

	<b>Gender Pay Gap (%)</b>			
	2024	2023	2022	2021
Total	-4.27	-4.76	-2.30	-4.47

**Notes:** \*Formula used to calculate the gender pay gap: (Average hourly earnings before tax of male employees - Average hourly earnings before tax of female employees) / Average hourly earnings before tax of male employees x 100

In the Company, the average hourly wage for men is lower than for women, as 26% of all employees hold lower-paid worker-category positions. From 2021 to 2024, these positions were predominantly occupied by men, with only one female employee in this category.

#### Total remuneration ratio

	Ratio of the total annual remuneration of the highest paid person to the average total annual remuneration of all employees (excluding the highest paid person)*
2024	4.24
2023	4.28
2022	4.83
2021	5.15

**Notes:** \* Formula used to calculate the total remuneration ratio: Annual total remuneration of the Company's highest paid person / Average annual total remuneration of all employees (excluding the highest paid person).

### S1-17 – INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS

No complaints of discrimination were reported in the Company during the period 2021–2024, and no such cases were identified. Additionally, no major human rights incidents involving the workforce occurred during the reporting period.

### S3 AFFECTED COMMUNITIES

#### SBM-3, S3 SBM-3 – Material impacts, risks, opportunities, and their interaction with strategy and business model

The nature of the Amber Grid's activities and the sector it represents naturally impact local communities. As the Company's business processes often involve the development of physical infrastructure, they may cause temporary but significant disruptions to surrounding areas. These impacts can include noise, dust generation, traffic restrictions, or temporary interruptions to transport links.

The Company recognises the importance of these impacts on communities and takes proactive steps to minimise them. This includes responsible project planning, the application of environmental mitigation measures, and clear communication with communities regarding potential changes and planned works.

Table 48. Significant impacts related to communities

Sustainability topic	Impacts	Risks and opportunities	Location in the value chain
<b>Communities' economic, social and cultural rights.</b>	<b>Actual negative</b> impacts arise from the industry represented by the Company and from direct activities that inherently involve certain impacts on communities (e.g. noise, dust or traffic restrictions).	–*	–**

\*No material risks/opportunities identified.

\*\*The impact arises from the direct activity and therefore the location in the value chain is not specified.

### S3-1 – POLICIES RELATED TO AFFECTED COMMUNITIES

Amber Grid recognises that its operations can have a direct impact on local communities and continuously strives to ensure that its processes are carried out responsibly, taking into account the interests of both communities and the environment. Commitments in this area are embedded in various policies that define the principles of responsible operations and aim to create a lasting, positive impact:

**The Sustainability Policy** emphasises full stakeholder involvement and transparent engagement with consumers, suppliers, the public, communities, employees and other stakeholder groups. The main objective of this policy is to ensure that sustainable development processes are focused on long-term benefits and transparency.

**The Environmental Policy** establishes a zero-tolerance principle and culture to prevent any environmental incidents. Contractors and partners are obliged to comply with these principles, in order to conform with applicable legislation and to take responsibility for their environmental impact. Involvement of local communities in environmental impact assessment processes and full cooperation with stakeholders towards a climate-neutral economy shall be encouraged.

**The Sponsorship Policy** defines the Company's commitment to working with the communities in which activities or projects are carried out. Support is given to welfare initiatives, educational activities, and other targeted beneficiary groups. Voluntary involvement of employees in activities that benefit society is encouraged.

These policies help to ensure a responsible approach to community needs, environmental protection, and social responsibility, with a view to achieving sustainable, long-term results.

Amber Grid is also working to ensure the sustainable implementation of its projects, in line with the principles of environmental impact mitigation.

Key areas include:

- **Waste management.** Contractors working on construction projects are obliged to manage waste properly by collecting, sorting, and transferring it to licensed waste recyclers. Waste movements are carefully recorded and monitored. The use of chemicals is also controlled to prevent their release into the soil and groundwater.
- **Noise management.** The Company takes into account the impact of noise on local communities, ensuring that noisy operations are only conducted during pre-arranged periods. Communities are informed in advance to minimise disruption.
- **Environmental impact assessment.** Before commencing projects, the Company conducts a comprehensive environmental impact assessment to identify potential negative effects and develop mitigation plans. This includes controlling noise, working hours, traffic movements, and ensuring the proper use of equipment.

Environmental action planning is carried out in advance to protect the natural environment and ensure the quality of life in surrounding communities.

The Company continuously monitors the impact of its activities on local communities and takes proactive steps to mitigate any negative effects. During the period 2021-2024, the Company has not received any reports of human rights abuses in the communities where it operates. This reflects the effective and responsible implementation of the Company's commitment to social responsibility and environmental protection.

### S3-2 – PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES ABOUT IMPACTS

Amber Grid strives to work closely and responsibly with local communities to ensure a positive impact and minimise potential negative effects on their lives and the environment. By involving communities in decision-making processes, the Company aims to build mutual trust by ensuring their interests and views are considered in projects and developments.

Before work begins, projects are presented to local communities at meetings where members can learn about the planned work, discuss potential risks, and provide suggestions or comments.

Furthermore, to ensure awareness and transparency, all relevant information regarding ongoing and upcoming projects is published in local newspapers, and community leaders such as presidents and elders are directly informed. The Company also adjusts the timing and deadlines of works to avoid conflict with events or periods important to the communities, aiming to minimise disruptions to local life and daily routines.

These practices ensure that local communities are not only informed but also actively involved in processes that directly impact their environment. The Company seeks to ensure that every community member has a voice and feels their interests and opinions are respected and considered in project and development decisions

### S3-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR AFFECTED COMMUNITIES TO RAISE CONCERNS

The Company and the Group as a whole provide communities with the opportunity to anonymously and safely raise concerns about important issues through Trust Lines. These lines offer a direct and confidential way to report potential corruption, environmental violations, operational non-compliance, or any other issues that may negatively impact communities or the environment.

The Trust Lines operate to the highest standards of confidentiality and security, ensuring that all reports are properly addressed and that whistleblowers are protected from any potential negative consequences. The Company encourages communities to actively use this tool to promote transparency, accountability, and lasting trust in the Company's operations and its stakeholders.

Reports to the Company can be made by:

**E-mail:** [pranesk@epsog.lt](mailto:pranesk@epsog.lt).

**E-notification form:** available at <https://pranesk.epsog.lt>

**By post:** sending information to the address of the Company's registered office.

**Other methods:** additional methods of reporting are set out in disclosure G1-1 of this report.

All reports submitted will be treated in accordance with the highest standards of confidentiality and responsible behaviour.

### S3-4 – TAKING ACTION ON MATERIAL IMPACTS ON AFFECTED COMMUNITIES, APPROACHES TO MANAGING MATERIAL RISKS, AND PURSUING MATERIAL OPPORTUNITIES RELATED TO AFFECTED COMMUNITIES, AND EFFECTIVENESS OF THOSE ACTIONS

The ongoing steps taken by the Company to identify and respond to significant impacts on affected communities are described in disclosure S3-1.



### S3-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

Within the Company, impacts on local communities are managed on a project-by-project basis, considering the specific circumstances and in line with the Group's policy principles (see S3-1). While there are no overarching measurable targets in this area, the Company consistently evaluates the impact of its activities on communities. When significant changes are anticipated, the Company takes appropriate measures to ensure that the interests of communities are protected and that its operations are developed sustainably.

## S4 CONSUMERS AND END-USERS

### SBM-3, S4 SBM-3 - Significant impacts, risks, opportunities, and their interaction with strategy and business model

In order to adequately meet the expectations of its shareholders and address the needs of its stakeholders, Amber Grid is committed to organising its operations in such a way that service delivery to customers and end-users is uninterrupted and stable. The company operates on a business-to-business (B2B) model, meaning its services reach end-users indirectly through energy transmission and exchange operators. It should be noted that the Company does not directly supply products to the market.

Detailed information about the strategic objectives, performance indicators, and management principles related to service accessibility across the entire EPSO-G Group can be found in the 'Operational Strategy and Implementation Progress' section of the [EPSO-G's Consolidated Management Report 2024](#).

The Company's business model also includes responsibility for the accessibility of information and its impact on direct users and end-users. To ensure transparency and sustainability, the Company consistently manages this aspect through its long-term strategy and the implementation of legislation. By maintaining high standards of information disclosure, the Company ensures that the public and stakeholders receive clear, timely, and reliable information.

All stakeholders, including service users and end-users, can contact the Company through both anonymous and non-anonymous channels. Detailed information regarding the reporting procedures is provided under Disclosure Requirement G1-1. Communication and dissemination of information is carried out in accordance with the laws of the Republic of Lithuania and the Company's internal procedures to ensure transparency and responsible dialogue with the public.

Material impacts related to consumers and end-users

Sustainability topic	Impacts	Risks and opportunities	Location in the value chain
<b>Access to (quality) information</b>	<b>Potential negative</b> impacts on consumers and end-users arise from late or overly bureaucratic provision of information. Mismanagement in this area can have a negative impact on stakeholders.	-*	-**
<b>Access to products and services</b>	<b>Potential negative</b> impacts could arise through the value chain due to inadequate infrastructure in peripheral areas, disruptions to the transmission system, fluctuations in energy prices due to the impact of the excessive costs of infrastructure upgrades on transmission tariffs, etc.	-*	Downstream

\*No material risks/opportunities identified.

\*\*The impact arises from the direct activity and therefore the location in the value chain is not specified.

### S4-3 - PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

The Company and the Group operate Trust Lines, providing users and end-users with the opportunity to anonymously and safely raise concerns about various important issues, such as potential cases of corruption, environmental violations, or operational non-compliance.

Reports to the Company can be made by:

**Amber Grid Trust Line:** sauga@ambergrid.lt

**EPSO-G Group Trust Line:** pranesk@epsog.lt

**Online:** [Trust Line](#)

**Telephone:** +37061270606

**By post:** Amber Grid's registered office at Laisvės pr. 10, Vilnius.

**Other ways** that are listed in accordance with disclosure requirement G1-1 in this report.

All reports submitted will be treated in accordance with the highest standards of confidentiality and responsible behaviour.

## 8.7. GOVERNANCE OBJECTIVE

### G1 BUSINESS CONDUCT

#### SBM-3 - Material impacts, risks and opportunities, and their interaction with the strategy and business model

Adherence to business ethics principles is one of the key components of the Company's sustainability. Ethical conduct, transparency, responsibility, and respect for various stakeholders are essential to ensuring trust in the organisation and the long-term sustainability of its operations. Business ethics practices encompass both internal processes and external relationships with partners, suppliers, and the community, making continuous impact assessment and management in this area particularly important.

To effectively manage potential impacts, risk factors and opportunities related to business ethics are continuously analysed. Both internal measures for strengthening the organisational culture and external influences that may significantly affect the Company's operations or reputation are assessed. The table below provides an overview of the significant impacts, risks, and opportunities related to business ethics.

Table 50. Material impacts related to business conduct

Sustainability topic	Impacts	Risks and opportunities	Location in the value chain
Corporate culture	<b>Potential negative impacts</b> may arise from possible non-compliance with the Company's culture, policies and principles, including transparency, accountability, diversity, inclusiveness, and ethical behaviour.	—*	—**
Protection of whistle-blowers	<b>Potential negative impact</b> on the rights of stakeholders may arise if the whistle-blowers' protection system does not function effectively. This includes breaches of whistle-blowers' confidentiality, possible direct or indirect discrimination, retaliatory actions, or other negative treatment against them.	Providing stakeholders (from workers to other stakeholders) with the opportunity to voice their concerns and address them creates the conditions for financial <b>opportunity</b> .	Upstream and downstream value chain
Management of relationships with suppliers, including payment practices	<b>Potential negative impact</b> on stakeholders' rights in public procurement.	—*	—**

<b>Corruption and bribery</b>	<b>Potential negative impacts on stakeholders' rights</b> may arise from corrupt or unethical practices along the value chain.	-*	Upstream and downstream value chain
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\*No material risks/opportunities identified.

\*\*The impact arises from the direct activity and therefore the location in the value chain is not specified.

**G1-1 - BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE<sup>9</sup>**

The Company actively promotes business conduct and fosters a responsible corporate culture based on group-wide policy documents:

- **Group Code of Conduct** - defines the standards of fair, transparent, and respectful conduct that are an integral part of the Company's culture.
- **Group Supplier Code of Conduct** - sets out the requirements for the Company's business partners to ensure fair cooperation, respect for human rights, and responsibility for environmental impacts.
- **Employees Anti-Corruption Code of Conduct** - sets out the principles that help ensure that all employees adhere to the highest standards of anti-corruption conduct, regardless of their position.

Compliance with these documents helps build trust in the Company, both internally and with external stakeholders.

In 2024, Amber Grid was awarded the **ISO 37001:2016** International Standard 'Anti-bribery Management Systems: Requirements with Guidelines for Use,' confirming that Amber Grid actively promotes ethical business conduct and fosters a responsible corporate culture.

**SHAPING CORPORATE CULTURE**

The Company actively fosters its corporate culture to create an inclusive, respectful, and trusting working environment. This culture is intentionally developed through various initiatives and measures that enhance employee engagement, a sense of community, and responsibility for shared goals.

"The following ways are used to promote corporate culture:

- **Targeted actions to promote culture:** Thematic initiatives, such as Equal Opportunities Month, focusing on respect for diversity, inclusion, and equality. These initiatives raise awareness among employees and help create a harmonious and inclusive working environment.
- **Training and education:** Training and communication campaigns on anti-corruption, ethics, and compliance. Employees are made aware of the Group's Code of Conduct and participate in workshops to better understand the importance of responsible and honest behaviour.
- **Working together in the public interest:** Organising events to promote community and social responsibility, such as volunteering campaigns or replanting forests. These activities not only build team spirit but also contribute to positive change in communities.

Fostering a corporate culture begins with senior management. Managers, in line with the Group's Code of Conduct, must set a personal example, adhere to ethical behaviour standards, and promote these within their teams. Leadership by managers in this area is essential to creating a transparent, fair, and respectful working environment.

Internal documents are in place to support and reinforce the company culture:

<sup>9</sup> MDR-P

- **Work Regulations** - defines the rights, duties, and general standards of behaviour of workers.
- **Equal Opportunities Policy and Procedures** - ensures that all employees are given equal opportunities.
- **The Discrimination, Harassment, and Violence Prevention Procedures** - establishes a clear framework for preventing inappropriate behaviour and ensuring a safe and respectful environment for all workers.

Amber Grid has established and defined values that form the common basis for all the Company's activities.

## WHISTLEBLOWING CHANNEL

Amber Grid and the Group operate a Trust Line, which allows employees and other stakeholders to report potential violations anonymously and securely. Reports can cover a wide range of areas, including corrupt practices, compliance violations, environmental non-compliance, or other forms of non-compliance.

Employees and other stakeholders of the Company may report suspected irregularities, unethical, or dishonest behaviour directly or anonymously to the Designated Person in Charge or to other employees of the Prevention Unit, without fear of adverse consequences. Reports can be made through the following channels:

**Amber Grid Trust Line:** [sauga@ambergrid.it](mailto:sauga@ambergrid.it)

**EPSO-G Group Trust Line:** [pranesk@epsog.it](mailto:pranesk@epsog.it)

**E-notification form:** available on the EPSO-G's website <https://pranesk.epsog.it>.

**By telephone:** +37061270606

**By post:** to the Amber Grid's registered office at Laisvės pr. 10, Vilnius.

There were no reports of corruption in 2024.

The principles of the Trust Line and information regarding whistle-blower protection are detailed in the EPSO-G's Anti-Corruption Policy.

These channels allow employees and other stakeholders to report potential irregularities, unethical, or dishonest behaviour in a safe and confidential manner. The Company ensures that each report is properly investigated in accordance with the highest standards of transparency and confidentiality.

Information on reporting channels and options is published on the Group's websites and on the internal intranet, accessible to all employees. The Company's whistle-blowing procedures are governed by clearly defined internal regulations, ensuring that whistle-blowers are treated objectively, professionally, and confidentially, prior to the appropriate actions being taken."

## PROTECTION OF WHISTLE-BLOWERS

In accordance with the provisions of national and internal legislation, the Company ensures that individuals providing information through the Trust Line are protected from any potential negative consequences. The confidentiality of whistle-blowers is maintained at all stages, and full anonymity is granted upon request. These safeguards apply in all cases, regardless of whether the information provided in the report is substantiated.

Whistle-blowers are afforded a wide range of protections in line with national law and the application of the Company's internal procedures. These protections extend not only to the whistle-blower but also to their family members, to protect them from any adverse effects resulting from the information provided.

Adverse effects are prohibited in all forms, including but not limited to the following actions:

- Suspension or unfair dismissal.
- Career restrictions, such as denial of promotion or halting a planned promotion.
- Reassignment, where the whistle-blower is transferred to a lower position or a different work location without objective reasons.
- Unreasonable changes to the terms of a contract, such as failing to offer a permanent contract to a worker who has a reasonable expectation of it.

## BUSINESS CONDUCT AND ANTI-CORRUPTION TRAINING

All employees are made aware of the Group's primary internal legal instrument governing business ethics, the **Group Code of Conduct**, which outlines the standards for fair, transparent, and responsible business practices.

To ensure compliance with these principles, training is provided on business conduct and anti-corruption. Additionally, various events are organised to present the Company's values, behavioural principles, and other relevant cultural aspects.

## CORRUPTION TOLERANCE SURVEY

Amber Grid consistently monitors employees' attitudes towards ethics and anti-corruption culture. An anonymous **Employee Corruption Tolerance Survey** is organised annually. The results of this survey allow the Company to assess the current situation, identify areas for improvement, and ensure that ethical standards remain an important part of the Company's operations.

## POSITIONS AT RISK OF CORRUPTION

In accordance with national legislation and the Company's internal rules, job positions identified as having the highest risk of corruption are included in a specific list to be monitored. To ensure public awareness and transparency, this list of high-risk positions is made publicly available on the Company's website. This allows both employees and stakeholders to understand the areas of activity where special attention is given to the prevention of corruption.

## G1-2 – MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS<sup>10</sup>

The Procurement function is considered one of the strategic enablers contributing to sustainable growth and effective risk management across the Company and Group. Procurement's activities focus on the following key areas: long-term planning, digitisation, resilience, and sustainability.

The objectives of the procurement function reflect the Company's commitment to social responsibility and environmental goals. One of the key objectives is to ensure that 100% of purchases are made according to green criteria, with at least 7% of purchases meeting social criteria.

To ensure transparency and responsible supply chain management, suppliers are required to review the Supplier Code of Conduct before contracts are awarded and confirm their commitment to the principles outlined in the Code. A specific questionnaire is also completed to help identify suppliers' behavioural patterns and potential risks. All suppliers must comply with the requirements set out, with no grounds for exclusion, including environmental and social irregularities.

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<sup>10</sup> MDR-A, MDR-T



Focusing on procurement quality and process compliance, the most significant purchases are carried out by employees holding official Procurement Officer certificates. This practice helps manage risks inherent in the procurement process and ensures a high level of competence.

The Group organises regular in-house training sessions to improve employees' understanding of social and environmental performance principles. This raises awareness and fosters a responsible purchasing culture.

It is worth noting that the majority of the Group's suppliers are local businesses, accounting for more than 80% of the contracts awarded. This supports the growth of the local economy and promotes cooperation with reliable, socially responsible partners.

The procurement process also includes a contract monitoring mechanism to assess supplier performance, evaluate their ability to meet commitments, and identify potential issues in advance. Special attention is given to working with more vulnerable groups of suppliers to ensure fair competition and long-term cooperation."

### G1-3 - PREVENTING AND DETECTING CORRUPTION AND BRIBERY <sup>11</sup>

In order to identify, assess, and manage potential corruption risks, the Company implements the measures set out in the Anti-Corruption Policy. These measures ensure transparent, responsible, and ethical operations while strengthening the corporate culture:

- **Restrictions on accepting and giving gifts:** Rules governing the acceptance, provision, and granting of gifts have been established to prevent potential conflicts of interest.
- **Measures to manage interests:** Measures are in place to ensure that the Group's interests prevail and that the personal interests of employees and members of collegial bodies are managed to ensure transparency and objectivity in decision-making.
- **Verification of operating partners:** The credibility of partners is assessed to avoid working with unscrupulous or unreliable entities.
- **Ensuring workers' reliability:** Procedures are in place to assess the integrity and trustworthiness of employees, particularly in positions with a higher risk of corruption.
- **Line of trust:** A channel is available for employees and other stakeholders to anonymously report possible irregularities or signs of corruption.
- **Internal research:** In accordance with established internal investigation procedures, all potential irregularities, including those that may have the appearance of corruption, are investigated.
- **Transparency of transactions:** Transactions are subject to transparency measures to avoid potential manipulation or opaque arrangements.
- **Anti-corruption awareness:** Through training, communication, and targeted actions, employees develop anti-corruption awareness and responsible behaviour skills.
- **Transparent procurement:** Procurement within the Group is carried out according to the principles of transparency, competitiveness, and fairness.

In 2024, Amber Grid was awarded the ISO 37001:2016 International Standard "Anti-corruption Management Systems. Requirements and Guidelines for Use".

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<sup>11</sup> MDR-A

The Company continuously identifies and assesses corruption risk factors, implements measures to manage them, and analyses their effectiveness. Corruption risk management is carried out in accordance with the Group's risk management policy and methodology, ensuring systematic and effective corruption prevention.

To ensure objectivity and impartiality, the Company's managers are not involved in handling incidents that may involve corruption. This responsibility is carried out by a dedicated corporate unit with the necessary competencies and authority to conduct investigations in accordance with established procedures and confidentiality principles.

The report of the internal investigation, prepared in accordance with the Internal Investigations Procedures, is submitted to the Chief Executive Officer of the Company. The report may also be shared with the heads of relevant departments, where appropriate, but only to the extent necessary for the performance of their functions and for decisions related to the findings of the investigation.

The Company's website has a dedicated **Anti-Corruption section** where stakeholders can find key information on the Company's anti-corruption activities. This section includes:

- **Legislation** on anti-corruption.
- **Measures** to prevent and control corruption.
- **Links to relevant documents** providing detailed information on applicable ethical and transparency standards.
- **Contact information** for individuals who wish to ask questions or make reports.

All of this information is available in both Lithuanian and English languages, ensuring wider accessibility for both local and international stakeholders.

To ensure that suppliers adhere to the highest ethical standards, Amber Grid familiarises them with the **Group's Supplier Code of Conduct** during the procurement process. This Code sets out the basic principles of ethical behaviour, including anti-corruption provisions, which the Company expects all of its partners and suppliers to comply with.

Employees are provided with information related to anti-corruption activities through an internal communication channel, the intranet, within a dedicated section. Depending on the need, relevant anti-corruption issues are regularly communicated to employees. In addition, all employees are made aware of anti-corruption legislation through the document management system.

These measures ensure that both the Company's employees and external partners have a clear understanding of anti-corruption principles, their importance, and their responsibility for compliance.

## CORRUPTION PREVENTION TRAINING

Amber Grid consistently organises targeted anti-corruption training to strengthen the Company's culture of transparency and responsibility. Employee development includes a variety of activities aimed at all employees and targeted groups:

- **Training for all new recruits:** Each new employee is familiarised with anti-corruption principles, the Code of Conduct, and the Company's anti-corruption standards.
- **Events and seminars with invited guests:** Periodic seminars and events with experts and invited guests to present practical aspects of anti-corruption prevention and share best practices.
- **Training on demand:** Targeted training for all employees or specific groups based on their roles and responsibilities. These training sessions help enhance knowledge and skills related to corruption prevention.

- **Communication in newsletters and meetings:** Regular communication on anti-corruption topics is carried out through newsletters, emails, and working meetings, serving as a constant reminder to employees of their responsibility to uphold ethical standards and transparency.
- **Anonymous Corruption Tolerance Survey:** An anonymous survey is conducted annually to assess the level of anti-corruption culture within the Company and identify areas for improvement. The results help further refine training programmes and tools.

Amber Grid provides training for all employees, regardless of whether their job is classified as high-risk. Specialised training is also available on demand for specific employee groups, addressing issues relevant to them and enhancing their practical knowledge of corruption prevention.

These measures ensure that employees fully understand the importance of anti-corruption and adhere to the principles set out, contributing to a fair and responsible corporate culture.

#### G1-4 - CORRUPTION OR BRIBERY INCIDENTS

No cases of anti-corruption have been identified or confirmed by Amber Grid in the reporting periods of 2021-2024. Furthermore, there were no convictions for breaches of corruption and bribery laws during this period. The Company has also not been subject to any fines or other sanctions related to these types of violations.

These results confirm Amber Grid's ongoing commitment to implementing the principles of transparency and accountability, ensuring that all processes adhere to the highest ethical standards.

##### Anti-corruption indicators

	2021	2022	2023	2024
Cases of corruption identified	0	0	0	0
Employees sanctioned and dismissed for corruption	0	0	0	0
Company/employees facing corruption-related lawsuits	0	0	0	0
Corruption cases identified resulting in contracts not being concluded/renewed with operational partners	0	0	0	0

#### G1-6 - PAYMENT PRACTICES

Amber Grid aims to ensure clear and transparent payment terms that facilitate smooth cooperation with suppliers. In 2024, the Company's average payment period for all invoices was 27.4 days.

Key contractual payment terms:

- calendar days from the date of invoicing – 1.29% of all invoices.
- 14 calendar days from the date of invoicing – 1.39% of all invoices.
- 17 calendar days from the date of invoicing – 13.45% of all invoices.
- 30 calendar days from the date of invoicing – 83.87% of all invoices.

The payment analysis includes all payments made in 2024, including invoices issued in previous periods. Advances and advances to accountable persons are not included in the calculations.

The Company follows a responsible payment policy to ensure financial stability within the supply chain. Clearly defined payment terms allow suppliers to plan their financial flows, and timely payments contribute to a trusting business relationship.

## 8.8. EU TAXONOMY REGULATION INDICATORS

The European Union (EU) Taxonomy Regulation (EU) 2020/852 and its associated delegated acts (hereinafter referred to as the Taxonomy) establish a classification system for environmentally sustainable economic activities. This system aims to promote private investment in activities that contribute to achieving the goals of the European Green Deal. The Taxonomy sets out science-based criteria for assessing the sustainability of economic activities and establishes corporate accountability and reporting obligations.

Amber Grid's identification of taxonomy-aligned economic activities, assessment of compliance with technical screening criteria, evaluation of climate-related risks and vulnerabilities, assessment of compliance with minimum safeguards, and calculation of taxonomy-non-eligible activity indicators are presented in the EPSO-G's Consolidated Management Report 2024, in the section 'Disclosure of Information under the EU Taxonomy Regulation'.

Below are the tables of Amber Grid's Taxonomy indicators (revenue, capital expenditure, and operating expenditure), prepared in accordance with the requirements and templates of the European Commission's Delegated Regulation (EU) 2021/2178.

### TURNOVER ACCORDING TO EU TAXONOMY REGULATION

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum safeguards Absolute turnover	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover	Category (enabling activity) Climate change mitigation	Category (transitional activity) Climate change adaptation
Economic activities	Code(s)	Absolute turnover	Proportion of turnover year 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems				
A. TAXONOMY ELIGIBLE ACTIVITIES																			
		M EUR	%	Y; N; N/EL	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
				EL; N/E L	EL; N/E L	EL; N/E L	EL; N/E L	EL; N/E L											
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1 / OCA 4.1.	0	0%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	-	
Transmission and distribution networks for renewable and low- carbon gases	CCM 4.14. / OCA 4.14.	0.1	0%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	-	

Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4. / CCA 7.4.	0	0%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	Y	0%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.1	0.2 0%	0.2 0%	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	Y	0%		
Of which enabling		0	0%	0%	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		-	-	-						-	-	-	-	-	-	-	-	-		-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5. / CCA 6.5.	0	0%	EL	N/E L	N/E L	N/E L	N/E L	N/E L									0%		
Renovation of existing buildings	CCM 7.2. / CCA 7.2.	0	0%	EL	N/E L	N/E L	N/E L	N/E L	N/E L									0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	%	%	-	-	-	-	-									0%		
Turnover of Taxonomy-eligible activities (A.1+A.2)		0.1	0.2 0%	0.2 0%	-	-	-	-	-									0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		74.5	99.80 %																	
TOTAL (A+B)		74.6	100 %																	

EL – Taxonomy-eligible activity for the relevant objective;

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

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

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

## CAPEX ACCORDING TO EU TAXONOMY REGULATION

Economic activities	Code(s)	Substantial contribution criteria								DNSH criteria (‘Does Not Significantly Harm’)						Minimum safeguards Absolute turnover	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover	Category (enabling activity) Climate change mitigation	Category (transitional activity) Climate change adaptation
		Absolute turnover	Proportion of turnover year 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems				
		M EUR	%	Y; N; N/EL	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
				EL; N/EL	EL; N/E L	EL; N/E L	EL; N/E L	EL; N/E L	EL; N/E L										

### A. TAXONOMY ELIGIBLE ACTIVITIES

A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1.	0	0%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	-	
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14 / CCA 4.14.	0.3	4%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	1%	-	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4.	0	0%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.3	4%	4%	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	1%		
Of which enabling		0	0%	0%	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		-	-	-						-	-	-	-	-	-	-	-		-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5.	0.1	1%	EL	N/E L	N/E L	N/E L	N/E L	N/E L								0%		
Renovation of existing buildings	CCM 7.2 / CCA 7.2.	1.2	19%	EL	N/E L	N/E L	N/E L	N/E L	N/E L								1%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1.3	20 %	20 %	-	-	-	-	-								1%		
Turnover of Taxonomy-eligible activities (A.1+A.2)		1.6	25 %	25 %	-	-	-	-	-								2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		4.8	75 %																
TOTAL (A+B)		6.4	100 %																

EL – Taxonomy-eligible activity for the relevant objective;

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

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

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

## OPEX ACCORDING TO EU TAXONOMY REGULATION

				Substantial contribution criteria						DNSH criteria ( 'Does Not Significantly Harm' )						Minimum safeguards Absolute turnover	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover	Category (enabling activity) Climate change mitigation	Category (transitional activity) Climate change adaptation
Economic activities	Code (s)	Absolute turnover	Proportion of turnover year 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems				
A. TAXONOMY ELIGIBLE ACTIVITIES																			
		M EUR	%	Y; N; N/EL	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y; N; N/E L	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
				EL; N/EL	EL; N/E L	EL; N/E L	EL; N/E L	EL; N/E L	EL; N/E L										
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1./CCA 4.1.	0	0%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	-	
Transmission and distribution networks for renewable and low- carbon gases	CCM 4.14. /CCA 4.14.	0.3	4%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	1%	-	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4. /CCA 7.4.	0	0%	Y	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.3	4%	4%	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	1%		
Of which enabling		0	0%	0%	N	N/E L	N/E L	N/E L	N/E L	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		-	-	-						-	-	-	-	-	-	-	-		-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5. / CCA 6.5.	0	0%	EL	N/E L	N/E L	N/E L	N/E L	N/E L								0%		
Renovation of existing buildings	CCM 7.2. /CCA 7.2.	0	0%	EL	N/E L	N/E L	N/E L	N/E L	N/E L							Y	0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	-	-	-	-	-								0%		



Turnover of Taxonomy-eligible activities (A.1+A.2)		0	0%	0%	-	-	-	-	-									0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		14.2	100 %																	
TOTAL (A+B)		14.2	100 %																	

EL – Taxonomy-eligible activity for the relevant objective;

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

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

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

## 8.9. INDICES

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## LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

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<sup>12</sup> Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

<sup>13</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

<sup>14</sup> Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

<sup>15</sup> Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

<sup>16</sup> Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

<sup>17</sup> Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p.1).

<sup>18</sup> Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		72
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ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		79
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		87
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ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				91
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		92

ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		92
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	95
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not material
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Not material
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				96
ESRS E3-1	Indicator number 7 Table #2 of Annex 1				Not material



Water and marine resources paragraph 9					
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m <sup>3</sup> per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				76
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				76
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				76
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				99
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				99
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				99
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				103
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				103
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				104
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				104
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				105

ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		105
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				105
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				105
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				108
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		120
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				120
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		121
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				121
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				121
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		121
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I				Not material

ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				122
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		122
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				123
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				127
ESRS G1-1	Indicator number 6 Table #3 of Annex 1				127

Protection of whistle- blowers paragraph 10 (d)					
ESRS G1-4 Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		131
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				131

This appendix is an integral part of the ESRS 2. The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation.

## 9. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

In fulfilling its obligations under legal acts governing the securities market applicable to it, the Company publishes significant events and other regulated information at the EU level. This information is accessible on the Company's website ([www.ambergrid.lt/lt/apie\\_mus/rubrika-investuotojams/esminiai-ivykiai](http://www.ambergrid.lt/lt/apie_mus/rubrika-investuotojams/esminiai-ivykiai)) and on the website of NASDAQ Vilnius Stock Exchange ([www.nasdaqbaltic.com](http://www.nasdaqbaltic.com)).

### Significant events during the reporting period 2024:

Table 52. Significant events of Amber Grid during 2024

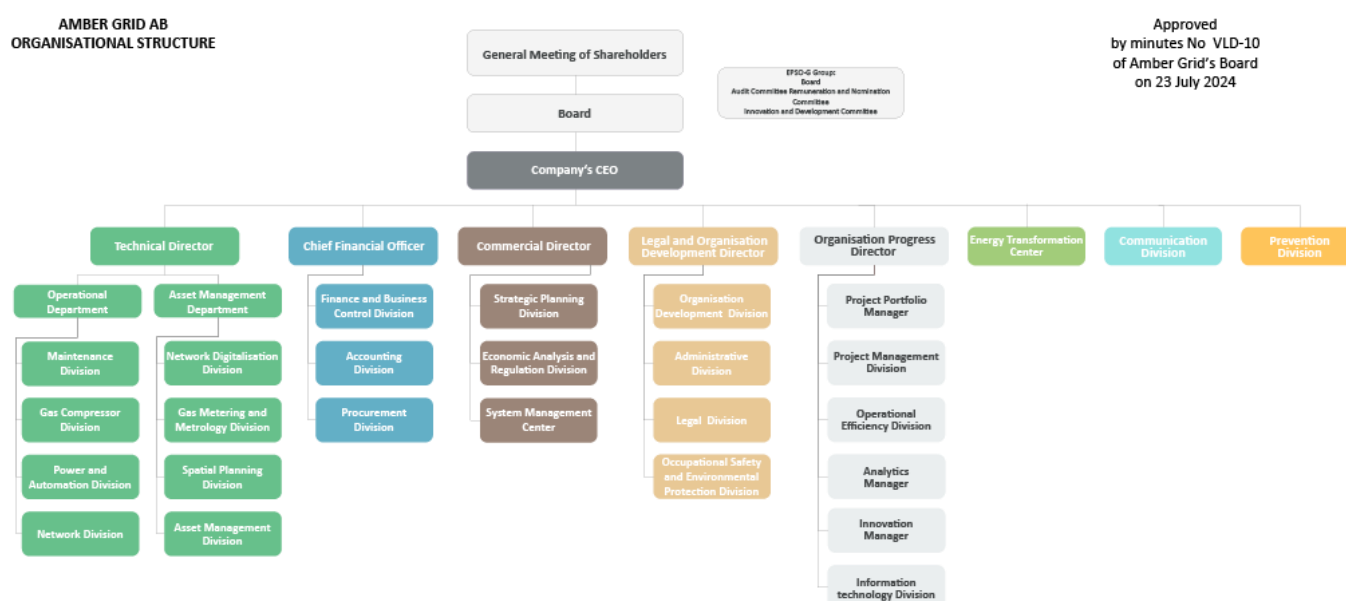
Date	Significant events during the reporting period
02/02/2024	Amber Grid investor calendar for 2024
29/02/2024	Consolidated operating results of Amber Grid Group of 2023
28/03/2024	Notice of the convening the ordinary General Meeting of Shareholders of Amber Grid AB
28/03/2024	Correction: Amber Grid Investor's Calendar for 2024
26/04/2024	The proposal of UAB EPSO-G regarding the election of the Board members determination of remuneration amounts for the members of the board and the operating budget of the board in 2024 was received
30/04/2024	Annual Information of Amber Grid for 2023
30/04/2024	Decisions adopted in the Extraordinary General Meeting of Shareholders of AB Amber Grid
09/05/2024	Regarding Gas Transmission System Operator's Revenue Cap of Regulated Activities for 2025
10/05/2024	Ex-dividend date
10/05/2024	Procedure for the payment of AB Amber Grid dividends for 2023
10/05/2024	Regarding the election of the Chairman of the Board of Amber Grid
10/05/2024	Amber Grid AB Operating Results for the 1st Quarter of 2024
21/05/2024	Regarding new prices for natural gas transmission services
21/05/2024	New wording of Amber Grid Articles of Association registered

28/05/2024	Notice on Convening an Extraordinary General Meeting of Shareholders of Amber Grid AB
30/05/2024	New prices for natural gas transmission services have been approved
16/08/2024	Decisions adopted in the Extraordinary General Meeting of Shareholders of Amber Grid AB
09/08/2024	Amber Grid AB Operating Results for the first half of 2024
13/08/2024	Regarding the initiation of NERC sanctioning procedure
02/09/2024	Amber Grid AB concluded the cash pool agreement with EPSO-G UAB.
27/09/2024	Notice on Convening an Extraordinary General Meeting of Shareholders of Amber Grid AB
18/10/2024	Decisions adopted in the Extraordinary General Meeting of Shareholders of Amber Grid AB
08/11/2024	Amber Grid AB results of operations for a nine-month period of 2024
31/12/2024	Amber Grid investor calendar for 2025

All notices that are made available to public according to the procedure defined in legal acts can be found in an electronic publication of the Manager of the Register of Legal Entities. All notices on convening the Company's General Meeting of Shareholders and other material events are announced on the Central Storage Facility at [www.crib.it](http://www.crib.it) and on the Company's official website [www.ambergriid.it](http://www.ambergriid.it) in accordance with the procedure established in the Law on Securities. The shareholders whose shares entitle them to at least 10% of total voting rights, receive notices on convocation of the General Meetings of Shareholders in accordance with the procedure established in the Company's Articles of Association.

## 10.ANNEXES

### Amber Grid Organisational Structure



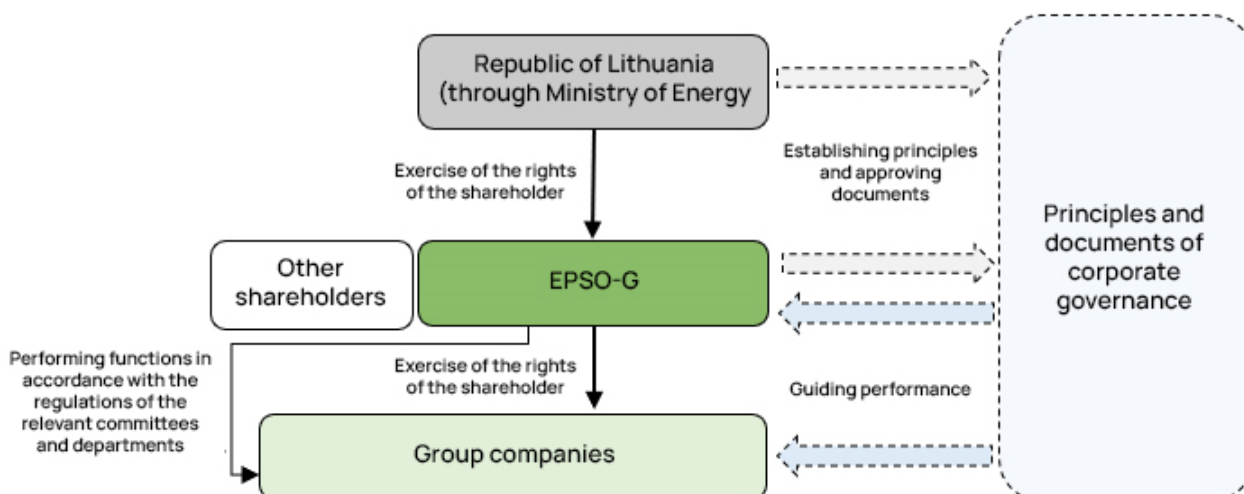
## Amber Grid statement of compliance with the Corporate Governance Code for the Companies Listed on NASDAQ Vilnius

In line with Article 12(3) of the Law on Securities of the Republic of Lithuania and paragraph 24.5 of the Listing Rules of Nasdaq Vilnius AB, Amber Grid AB (the “**Company**”) has disclosed its compliance with the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius and its specific provisions or recommendations. In case of non-compliance with the Code or some of its provisions or recommendations, the specific provisions or recommendations that are not complied with must be indicated, the reasons for such non-compliance must be specified, and other explanatory information indicated in this form must be presented.

### Summary of the Company’s Corporate Governance Report:

Amber Grid AB is a part of the EPSO-G Group companies (“the Group”). The Company’s management structure and governance model are determined by the Company’s Articles of Association, the Corporate Governance Guidelines of the EPSO-G Group approved on 29 December 2022 by the Ministry of Energy (the ME), the sole shareholder of the parent company EPSO-G UAB, and the Corporate Governance Policy of the EPSO-G Group. All these documents are available on the Company’s website ([www.ambergrid.lt](http://www.ambergrid.lt)) and EPSO-G’s website ([www.epsog.lt](http://www.epsog.lt)).

Fig. 1 Main scheme of the implementation of corporate governance at the Group level.



Being a part of the Group does not affect the Company’s independence. The Company operates independently as it seeks to achieve the objectives set in the Company’s Articles of Association, and it has the obligation to independently assess whether compliance with the Group’s corporate governance documents does not harm the interests of the Company, its creditors, shareholders or other stakeholders.

### Corporate governance structure:

- The General Meeting of Shareholders;
- The Board (five members, two of whom are independent members, the other two members nominated by the shareholder, and one civil servant);
- The Committees operating at the Group level:
  - The Remuneration and Nomination Committee (mainly composed of independent members);
  - The Audit Committee (mainly composed of independent members).

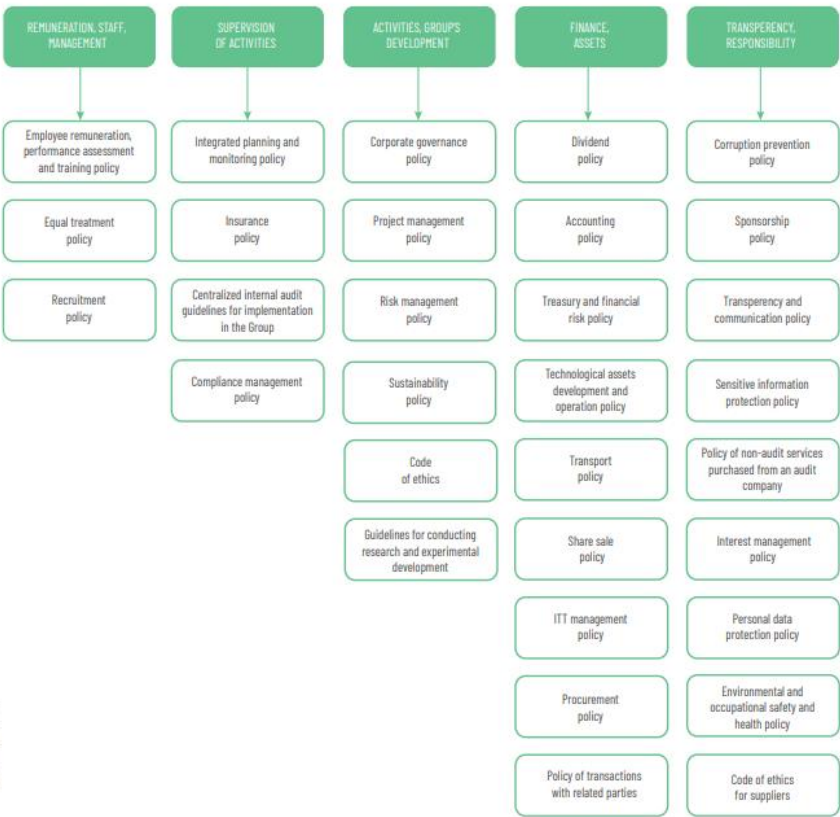
The Group has a centralised internal audit function. In order to ensure the independence of the internal audit, it is established that the head of the internal audit function is appointed and dismissed by the Board of EPSO-G UAB, which is mainly composed of independent members. The internal audit function is also accountable to the Audit Committee, which also consists mostly of independent members. The internal audit recommendations are analysed by the Company’s Board, which also approves the plan of measures for implementation of audit recommendations.

On the basis of the Risk Management Policy of the EPSO-G Group, a uniform risk management system of the Group has been implemented at the Company according to the COSO ERM standards applicable in a global practice, which set out the risk identification, assessment and management principles and responsibilities. Risk management coordination is performed at the Group level.

The purpose of the Group's operating policies is to introduce a consistent and effective organisation management system that helps employees successfully implement important strategic projects and create value to local private and business customers in a transparent and effective manner. To ensure the effectiveness of the operating policies, the Company annually reports on the progress achieved with the implementation of the operating policies.

The operating policies that are currently effective at the Company:

The operating policies that are currently effective at the Company:



The corporate governance report of the state-owned enterprises stipulates that the Group has implemented and complied with the principles of good governance. The highest rating A has been awarded to the Group. The highest rating has been assigned to the applied transparency standards, formation of collegial bodies and implementation of the strategy. The Company's corporate governance has been awarded rating A.

Structured Table



Principles/recommendations	Yes/No/Not Applicable	Comments
<b>1 Principle: General Meeting of Shareholders, fair treatment of shareholders and shareholders' rights</b> The corporate governance system should ensure fair treatment of all shareholders. The corporate governance system should protect shareholders' rights.		
1.1. All shareholders should have equal access to the information and/or documents provided for by law and should be able to participate in decisions that are important for the company.	<b>Yes</b>	Pursuant to the Law on Companies of the Republic of Lithuania and Chapter IX of the Company's Articles of Association, information on general meetings of shareholders being convened, their draft decisions and decisions made is published on the Company's website and on NASDAQ OMX Vilnius stock exchange in the Lithuanian and English languages. The Company ensures equal opportunities to its shareholders to vote on the adoption of relevant decisions at the General Meetings of Shareholders (by completing the general voting ballot, representing a shareholder by proxy, etc.).
1.2. It is recommended that a company's capital should consist only of shares that give their holders equal voting, ownership, dividend and other rights.	<b>Yes</b>	The Company's issued capital is divided into ordinary registered shares with the nominal value of EUR 0.29 each. All the shares grant the same rights to voting, ownership, dividend and other rights to their holders in proportion to the number of shares held. All shares are intangible and recorded in the personal securities accounts of the shareholders managed by the securities account manager contracted to manage the share accounting.
1.3. It is recommended that investors should have access to the information concerning the rights attached to the shares of the new issue or those issued earlier in advance, i.e. before they purchase shares.	<b>Yes</b>	Please see paragraph 1.2. Including the rights and obligations of the shareholders are stipulated in Chapter IV of the Company's Articles of Association that are made available to public.
1.4. Exceptional transactions of major importance, such as the disposal of all or almost all of the company's assets, which would effectively amount to a disposal of the company, should be subject to the approval of the General Meeting of Shareholders.	<b>Yes</b>	Paragraph 38 of the Company's Articles of Association specifies the cases when a transaction requires approval of the Board or the General Meeting of Shareholders.
1.5. The procedures for organising and participating in the General Meeting of Shareholders should give shareholders equal opportunities to participate in the General Meeting of Shareholders and should not prejudice the rights and interests of shareholders. The choice of the place, date and time of the General Meeting should not preclude the active participation of shareholders in the General Meeting. In the notice of the General Meeting, the company should indicate the latest date on which the proposed draft resolutions can be submitted.	<b>Yes</b>	The Company convenes the General Meetings of Shareholders and implements other meeting-related procedures in accordance with the procedure established in the Law on Companies of the Republic of Lithuania. In addition, each time the General Meeting of Shareholders is convened, the general rights of the shareholders and the deadlines for exercising such rights are published on the Notice of Convening the General Meeting of Shareholders and on the Company's website.
1.6. In order to ensure the right of shareholders living abroad to access information, it is recommended that, where possible, the documents prepared for the General Meeting of Shareholders be made public in advance not only in Lithuanian, but also in English and/or in other foreign languages. It is also recommended that the minutes of the General Meeting of Shareholders, after signing, and/or the decisions adopted be made public not only in Lithuanian but also in English and/or other foreign languages. It is recommended that this information be published on the company's website. Not all documents may be made publicly available if their public disclosure would be prejudicial to the company or would disclose the company's business secrets.	<b>Yes</b>	Information on the general meetings of shareholders being convened, their draft decisions and decisions made are published on the Company's website and on NASDAQ Vilnius stock exchange in the Lithuanian and English languages, by indicating location, date and time of the meeting.

1.7. Shareholders entitled to vote should be able to vote at the meeting of shareholders, either present or absent in person. Shareholders should not be prevented from voting in advance in writing by completing a single ballot paper.	<b>Yes</b>	A notice of convening the General Meeting of Shareholders always indicates a possibility for the shareholders to vote in writing by filling in the attached form of a voting ballot or to vote by proxy.
1.8. In order to increase shareholders' ability to participate in General Meetings of Shareholders, it is recommended that companies should make greater use of modern technology to enable shareholders to participate and vote in General Meetings of Shareholders by electronic means. In such cases, the security of the information transmitted must be guaranteed and the identity of the person who participated and voted must be identifiable.	<b>No</b>	Given the challenges in ensuring the security of the information transmitted and the establishment of the identity of shareholders, these options are not yet available to shareholders. However, shareholders are provided with other opportunities to exercise their rights: to vote in the General Meeting of Shareholders in person; to vote by proxy; to vote by concluding voting rights entrustment agreement; voting in writing in advance by completing the general voting ballot.
1.9. It is recommended to disclose in the notice of the draft decisions of the convened General Meeting of the Shareholder the new nominations of the members of the collegial body, the remuneration proposed for them, the proposed appointment of the audit company, if these issues are included in the agenda of the General Meeting of Shareholders. When proposing to elect a new member of the collegial body, it is recommended that the member's educational background, work experience and other management positions held (or proposed to be held) be disclosed.	<b>Yes</b>	A notice of convening the General Meeting of Shareholders always specifies the draft decisions containing information required by the Law on Companies of the Republic of Lithuania, including new candidatures of members of the collegial bodies, the proposed remuneration, the proposed audit firm and the proposed audit fee.
1.10. Members of the Company's collegial management body, heads of the administration <sup>19</sup> or other competent persons related to the Company who can provide information related to the agenda of the general meeting of shareholders should take part in the general meeting of shareholders. 1.11. Proposed candidates to member of the collegial body should also participate in the general meeting of shareholders in case the election of new members is included into the agenda of the general meeting of shareholders.	<b>Yes</b>  <b>No</b>	Relevant competent persons who can provide information related to the agenda of the General Meeting of Shareholders always attend the General Meeting of Shareholders. The proposed candidates to the members of the collegial bodies do not always attend the General Meetings of Shareholders.
<b>Establishment of the Supervisory Council</b> The procedure for the establishment of the Supervisory Council should ensure that conflicts of interest are properly managed and that the company is governed efficiently and fairly.		
2.1.1. The members of the Supervisory Council elected by the General Meeting of Shareholders should collectively ensure a diversity of qualifications, professional experience and competences, as well as a gender balance. In order to maintain an appropriate balance between the qualifications of the members of the Supervisory Council, it should be ensured that the members of the Supervisory Council as a whole have a broad range of knowledge, views and experience to perform their tasks properly.	<b>Not applicable</b>	Supervisory Council is not formed at the Company.
2.1.2. Members of the Supervisory Council should be appointed for a fixed term, with the possibility of individual re-election for a new term, in order to ensure the necessary growth in professional experience.	<b>Not applicable</b>	Supervisory Council is not formed at the Company.

<sup>19</sup> For the purposes of this Code, heads of the administration are the employees of the company who hold top level management positions.

2.1.3. The Chair of the Supervisory Council should be a person whose current or former position would not be an obstacle to the impartial exercise of his/her functions. A former CEO or the Board member of the company should not immediately be appointed as a Chair of the Supervisory Council. Where a company chooses not to comply with these recommendations, information should be provided on the measures taken to ensure operational impartiality.	<b>Not applicable</b>	Supervisory Council is not formed at the Company.
2.1.4. Each member should devote sufficient time and attention to his/her duties as a member of the Supervisory Council. Each member of the Supervisory Council should undertake to limit his/her other professional commitments (in particular management positions in other companies) in such a way that they do not interfere with the proper performance of his/her duties as a member of the Supervisory Council. If a member of the Supervisory Council attended less than half of the Supervisory Council meetings during the company's financial year, the company's shareholders should be informed.	<b>Not applicable</b>	Supervisory Council is not formed at the Company.
2.1.5. Where the appointment of a member of the Supervisory Council is proposed, it should be disclosed which members of the Supervisory Board are considered independent. The Supervisory Council may decide that, despite the fact that a particular member meets all the criteria of independence, he/she cannot be considered independent due to special personal or company-related circumstances.	<b>Not applicable</b>	Supervisory Council is not formed at the Company.
2.1.6. The amount of remuneration for members of the Supervisory Council should be approved by the company's General Meeting of Shareholders for their activities and participation in the meetings of the Supervisory Council.	<b>Not applicable</b>	Supervisory Council is not formed at the Company.
2.1.7. The Supervisory Council should carry out an evaluation of its own performance each year. It should include an assessment of the structure, organisation and ability to act as a group, as well as an assessment of the competence and effectiveness of each member of the Supervisory Council and an assessment of whether the Supervisory Council has achieved its stated performance objectives. The Supervisory Council should publish, at least once a year, relevant information on its internal structure and operating procedures.	<b>Not applicable</b>	Supervisory Council is not formed at the Company.
<b>3 Principle: Board</b>		
<b>I. Functions and responsibilities of the Board</b>		
The Board should ensure the implementation of the company's strategy, as well as good corporate governance, taking into account the interests of shareholders, employees and other stakeholders.		
3.1.1. The Board should ensure the implementation of the company's strategy, as approved by the Supervisory Council, if it is established. In cases where the Supervisory Council is not established, the Board is also responsible for approving the company's strategy.	<b>Yes</b>	Paragraph 34 of the Company's Articles of Association stipulates the power of the Company's Board to approve the Company's strategy and supervise its implementation.  In addition, in carrying out its supervisory function the Board regularly reviews reports on the implementation of the strategy.

3.1.2. The Board, as the collegial management body of the company, performs the functions assigned to it by the Law and the company's Articles of Association and, in cases where the company does not have a Supervisory Board, also performs the supervisory functions provided for in the Law. In carrying out its functions, the Board should take into account the needs of the company, shareholders, employees and other stakeholders, as appropriate, in order to build a sustainable business.	Yes	Section 7.3 of the Company's Articles of Association stipulates that the Company's Board undertakes the supervisory functions. By performing the functions assigned to it, the Board takes into account the Audit Committee's recommendations, as well as the needs of the company's shareholders, employees and other stakeholders.
3.1.3. The Board should ensure compliance with the laws and internal company policies applicable to the company or group of companies to which it belongs. It should also put in place appropriate risk management and control measures to ensure regular and direct accountability of executives.	Yes	Article 36 paragraph (xxi) of the Company's Articles of Association provides that the Board takes decisions on the non-application to the Company or the application with exceptions of the documents applicable at the level of the Group of companies approved by the Board of the parent company. The Board ensures and regularly monitors the implementation of the documents it approves (strategy, performance plans, budget, etc.) within the Company.
3.1.4. Moreover, the management board should ensure that the measures included into the OECD Good Practice Guidance <sup>20</sup> on Internal Controls, Ethics and Compliance are applied at the company in order to ensure adherence to the applicable laws, rules and standards.	Yes	The Company's Board ensures and monitors implementation of internal controls, ethics and compliance measures as follows: - there is an internal audit function at the group level; - the Audit Committee is formed at the group level, mostly consisting of independent members, with the internal audit function accountable to it; - there is the Code of Conduct and the EPSO-G Group Anti-Corruption Policy, the EPSO-G Group Sponsorship and Charity Policy, Sponsorship and Charity Policy, and the EPSO-G Group Conflict of Interest Management Policy in place.
3.1.5. In appointing the Company's CEO, the Board should take into account the appropriate balance of qualifications, experience and competence of the candidate.	Yes	When the Board appoints the head of the Company, it follows the procedure approved by Resolution of the Government of the Republic of Lithuania for the selection of candidates to a collegial supervisory or management body of a state-owned or municipal enterprise or of a company or its subsidiary owned by a state-owned or municipal enterprise, also takes into account the recommendations of the Remuneration and Nomination Committee (Clause 53 of the Company's Articles of Association), and the appropriate balance between the candidate's qualification, experience and competence. Article 55 of the Company's Articles of Association provides that, when assessing the suitability of a candidate for the position of CEO, the Board shall assess the candidate's compliance with the requirements set out in the Articles of Association and applicable legislation and may, for that purpose, require the candidate to submit documents substantiating such compliance and/or request the competent public authorities to provide the necessary information about the candidate.
<b>3.2. Establishment of the Board</b>		

<sup>20</sup> For the purposes of this Code, heads of the administration are the employees of the company who hold top level management positions.

For the purposes of this Code, the criteria of independence of members of the supervisory council are interpreted as the criteria of unrelated parties defined in Article 31(7) and (8) of the Law on Companies of the Republic of Lithuania.

<p>3.2.1. The members of the Board elected by the Supervisory Board or by the General Meeting of Shareholders if no Supervisory Council is established should collectively ensure a diversity of qualifications, professional experience and competences, and strive for gender balance. In order to maintain an appropriate balance between the qualifications of the members of the Board, it should be ensured that the members of the Board as a whole have a wide range of knowledge, views and experience to perform their tasks adequately.</p>	<p><b>Yes</b></p>	<p>Paragraph 27 of the Company's Articles of Association stipulates that in the process of selection of the Board members it is ensured that the Board consists of at least 2 (two) independent members. Their independence is established in accordance with the criteria laid down in the Corporate Governance Code and the Policy for Management of Interests of Members of Collegial Bodies, Executives and Employees of the Group, as well as the requirements set forth in other applicable legal acts. It is aimed that the Board members have competences that are required in the areas of responsibility and functions of the Board.</p> <p>The selection of the Company's Board members is carried out by the Remuneration and Nomination Committee in accordance with the approved matrix of the Board competences.</p> <p>The Board members carry out their performance assessment on annual basis. In addition, the Remuneration and Nomination Committee evaluates the performance of the Board on an annual basis and provides recommendations on performance improvement.</p>
<p>3.2.2. The names of the candidates for election to the Board, their education, qualifications, professional experience, positions held, other relevant professional commitments and potential conflicts of interest should be disclosed, without prejudice to the requirements of the legislation governing the processing of personal data, at the meeting of the Supervisory Council at which the Board or its individual members will be elected. If the Supervisory Council is not established, the information set out in this point should be submitted to the General Meeting of Shareholders.</p> <p>The Board should compile the data on its members referred to in this point each year and disclose it in the company's annual report.</p>	<p><b>Yes</b></p>	<p>Information is disclosed to public in the Company's interim and annual report and on the Company's official website.</p>
<p>3.2.3. All new members of the Board should be briefed on their duties, the company's structure and its activities.</p>	<p><b>Yes</b></p>	<p>The Board members are introduced to their duties, the structure and activities of the Company by sharing with them the Company's corporate documents – a set of such documents is sent by email to the newly elected Board members.</p>
<p>3.2.4. Members of the Board should be appointed for a fixed term, with the possibility of individual re-election, in order to ensure the necessary growth in professional experience and sufficiently frequent reconfirmation of their status.</p>	<p><b>Yes</b></p>	<p>Paragraph 26 of the Company's Articles of Association stipulates that the Board is a collegial management body of the Company consisting of five members. The members of the Board are elected for a four-year term of office by the General Meeting of Shareholders, to which the Board is accountable. A member of the Board may not serve as a member of the Board for more than two consecutive full Board terms and in any case may not serve as a member of the Board for more than 10 (ten) consecutive years.</p>
<p>3.2.5. The Chair of the Board should be a person whose current or former position would not be an obstacle to the impartial conduct of business. A former CEO of the company should not immediately be appointed as a Chair of the Board. Where a company chooses not to comply with these recommendations, information should be provided on the measures taken to ensure operational impartiality.</p>	<p><b>Yes</b></p>	<p>Paragraph 28 of the Company's Articles of Association stipulates the criteria prohibiting a person to be elected as a member of the Board.</p> <p>Article 28 of the Company's Articles of Association provides the criteria according to which a person cannot be elected as a member of the Board. Article 46 of the Company's Articles of Association provides that the chairperson of the Board should be elected from among the Board members nominated by the parent company.</p>

<p>3.2.6. Each member should devote sufficient time and attention to his or her duties as a Board member. If a member of the Board has attended less than half of the meetings of the Board during the company's financial year, the company's Supervisory Council should be informed, or, if there is no Supervisory Council, the General Meeting of Shareholders.</p>	<p><b>Yes</b></p>	<p>The Board members actively attend the meetings, and the minutes of the meetings provide records of attendance and voting by the Board members during the decision-making process.</p> <p>As provided for in Paragraph 51 of the Company's Articles of Association, the Board of the Company shall account for its activities by providing the General Meeting of Shareholders with its annual report of activities on the Board, including information about adopted resolutions and the annual self-assessment. The report can be submitted within the framework of the annual report of the Company.</p>
<p>3.2.7. If, in the cases provided for in the Law, when the Board is elected in the absence of a Supervisory Council, some of the members of the Board will be independent<sup>1</sup>, it should be published which members of the Board are considered independent. The Board may decide that a particular member of the Board, although fulfilling all the criteria for independence set out in the Law, may not be considered independent because of special personal or company-related circumstances.</p>	<p><b>Yes</b></p>	<p>The Company's website and the annual report contain information about the Company's Board members, with specific indication of which members are independent.</p> <p>At each Board meeting, the Board members are required to declare potential conflicts of interest related to the agenda items.</p>
<p>3.2.8. The amount of remuneration to be paid to members of the Board for their activities and participation in Board meetings should be approved by the company's General Meeting of Shareholders.</p>	<p><b>Yes</b></p>	<p>Article 25 of the Company's Articles of Association provides that the General Meeting of Shareholders decides on the appointment and removal of Board members, fixing the remuneration of Board members, conclusion of contracts with Board members and their standard terms and conditions. Based on the decision of the General Meeting of Shareholders, a fixed monthly pay for service at the Board and for activities at the group's committees has been set only for independent Board members.</p>
<p>3.2.9. Board members should act honestly, diligently and responsibly in the best interests of the company and its shareholders and represent their interests, taking into account other interest holders. They should not pursue personal interests in their decision-making, should be subject to non-competition agreements, and should not, to the detriment of the company's interests, take advantage of business information and opportunities that are relevant to the company's activities.</p>	<p><b>Yes</b></p>	<p>Taking into account the objective to monitor the absence of conflicts of interest of the Company's Board members, each year the Board members update their declarations of interests, and the independent members are assessed for their independence. In addition, paragraph 31 of the Company's Articles of Association stipulates that the Board members may be employed elsewhere or hold other job position compatible with their activities in the Board, including but not limited to executive positions in other legal entities, a job in a state or statutory service, duties at the Company and other legal entities (in view of the restrictions set in paragraph 28 of the Articles of Association), as well as in legal entities where the Company or the parent company acts as a member, only by providing a prior notice to the Company's Board. The Company has adopted the Policy of Management of Interests of Members of Collegial Bodies, Executives and Employees of EPSO-G Group. Members of the Boards have signed commitments to protect the information confidential. No-compete agreements are not concluded with the members of the Board. The need for such agreements was not established because the Company conducts a monopoly business.</p>



<p>3.2.10. Every year the management board should carry out an assessment of its activities. It should include an assessment of the structure, organisation and ability to act as a group, as well as an assessment of the competence and effectiveness of each member of the Board and an assessment of whether the Board has achieved its stated performance objectives. The management board should, at least once a year, make public respective information about its internal structure and working procedures in observance of the legal acts regulating the processing of personal data.</p>	<p><b>Yes</b></p>	<p>The Board carries out a self-assessment of its activities annually, and on its basis prepares a performance improvement plan.</p> <p>In addition, the Remuneration and Nomination Committee and the Audit Committee, acting at the EPSO-G Group level, evaluate annually decisions made by the Board and provide recommendations on performance improvement</p> <p>The results of assessment of the Board's activities are presented in the Company's annual report.</p>
<p><b>4 Principle: Working procedures of the Company's Supervisory Council and the Board</b></p> <p>The company's procedures for the work of the Supervisory Council, if established, and the Board should ensure the effective work and decision-making of these bodies and promote active cooperation between the company's bodies.</p>		
<p>4.1. The Board and the Supervisory Council, if established, should work closely together for the benefit of both the company and its shareholders. Good corporate governance requires an open discussion between the management board and the supervisory board. The Board should regularly and, if necessary, promptly inform the Supervisory Council of all matters of importance to the company in relation to planning, business development, risk management and control, and compliance with the company's obligations. The Board should inform the supervisory board about any derogations in its business development from the previously formulated plans and objectives by specifying the reasons for this.</p>	<p><b>Not applicable</b></p>	<p>The Supervisory Council is not formed at the Company.</p>
<p>4.2. It is recommended that meetings of the company's collegial bodies be held at appropriate intervals in accordance with a pre-approved schedule. It is up to each company to decide on the frequency of meetings of the collegial bodies, but it is recommended that they should be held at such a frequency as to ensure the uninterrupted discussion of the company's key governance issues. Meetings of the company's collegiate bodies should be convened at least once a quarter of the year.</p>	<p><b>Yes</b></p>	<p>Article 45 of the Company's Article of Association provides that the Board shall adopt its resolutions at the meetings of the Board. The regulation of the convocation of Board meetings and the voting procedure, as well as other procedural issues shall be as provided by the Law on Companies and related legal acts, and shall be defined in detail in the rules of procedure of the Board, which shall be approved by the Board.</p> <p>At the end/beginning of each year, the Company's Board approves the schedule and activity plan (a preliminary agenda for the respective Board meeting) for the upcoming/current year.</p>
<p>4.3. The members of the collegial body should be informed in advance of the convening of the meeting in order to allow sufficient time for adequate preparation of the issues to be discussed at the meeting and for the discussion leading to the adoption of decisions. The members of the collegial body should be provided with all relevant material relating to the agenda of the meeting together with the notice of the meeting. The agenda should not be amended or supplemented during a meeting unless all members of the collegiate body are present and agree to such amendment or supplementation or unless there is an urgent need to deal with important matters of the company.</p>	<p><b>Yes</b></p>	<p>The work of the Board is guided by the Rules of Procedure of the Board, governing the convening of meetings, the information of the Board members, the submission of material and other procedural issues.</p> <p>According to the Board's Rules of Procedure, the material must be submitted to the Board five working days before the regular meeting.</p> <p>The Board follows the recommendation to amend the agenda.</p>



<p>4.4. In order to coordinate the work of the company's collegial bodies and to ensure an efficient decision-making process, the chairpersons of the company's collegial supervisory and management bodies should coordinate the dates and agendas of the meetings to be convened and should cooperate closely on other issues related to the company's management. Meetings of the company's Supervisory Council should be open to the members of the company's Board, in particular where the meeting deals with matters relating to the removal of members of the Board, their liability and the determination of remuneration.</p>	<p><b>Not applicable</b></p>	<p>The Supervisory Council is not formed at the Company.</p>
<p><b>5 Principle: Nomination, Remuneration and Audit Committees</b></p>		
<p><b>5.1. Purpose and composition of committees</b></p> <p>The committees established within the company should enhance the effectiveness of the Supervisory Council and, if the Supervisory Council is not established, of the Board, which performs supervisory functions, by ensuring that decisions are taken after due deliberation and by helping to organise the work in such a way as to ensure that decisions are not affected by material conflicts of interest.</p> <p>The Committees should act independently and in a principled manner and make recommendations related to the decision of the collegial body, but the final decision is taken by the collegial body itself.</p>		
<p>5.1.1. Depending on the specific circumstances of the company and the governance structure chosen, the company's Supervisory Council and, if the Supervisory Council not established, the Board, which performs the supervisory functions, form committees. It is recommended that the collegial body form Nomination, Remuneration and Audit committees<sup>21</sup>.</p>	<p><b>Yes</b></p>	<p>The Company has the Remuneration and Nomination Committee at the Group level, which is formed by the Board of EPSO-G UAB and acts in accordance with the regulations approved by the body that forms it, and the Audit Committee at the Group level, which is formed by the sole shareholder EPSO-G UAB and acts in accordance with the regulations approved by the body that forms it.</p>
<p>5.1.2. Companies may decide to have fewer than three committees. In this case, companies should provide an explanation as to why they have chosen the alternative approach and how the chosen approach meets the objectives set by the three separate Committees.</p>	<p><b>Yes</b></p>	<p>Given the close links between remuneration and nomination issues and the need for experts with the same qualifications, it has been decided to form a single Remuneration and Nomination Committee.</p>
<p>5.1.3. The functions assigned to the committees formed in companies may be performed by the collegial body itself in the cases provided for by law. In such a case, the provisions of this Code relating to committees (in particular as regards their role, functioning and transparency) should, where appropriate, apply to the collegiate body as a whole.</p>	<p><b>Not applicable</b></p>	<p>Please see par. 5.1.1.</p>
<p>5.1.4. Committees established by the collegial body should normally be composed of at least three members. Subject to the requirements of the legal acts, committees could be comprised only of two members as well. Members of each committee should be selected on the basis of their competences by giving priority to independent members of the collegial body. The chair of the management board should not serve as the chair of committees.</p>	<p><b>Yes</b></p>	<p>Paragraphs 7.8 and 7.9 of the Articles of Association of EPSO-G UAB regulate the formation of committees at the EPSO-G Group level and the areas of their competence. The aforementioned statutes state that the Remuneration and Nomination and Audit Committees shall consist of at least three members. It is ensured that from among three members there is at least one independent member in the Remuneration and Nomination Committee, and more than half of the members in the Audit Committee. Not all members of the Remuneration and Nomination Committee and the Audit Committee are appointed from the Board of EPSO-G. One member to each of the committees is appointed on the basis of competence when performing the external selection of an independent member of the committee.</p>

<sup>21</sup> The legal acts may provide for the obligation to form a respective committee. For example, the Law on the Audit of Financial Statements of the Republic of Lithuania provides that public-interest entities (including but not limited to public limited liability companies whose securities are traded on a regulated market of the Republic of Lithuania and/or of any other Member State) are under the obligation to set up an audit committee (the legal acts provide for the exemptions where the functions of the audit committee may be carried out by the collegial body performing the supervisory functions).

<p>5.1.5. The authority of each committee formed should be determined by the collegial body itself. Committees should perform their duties according to the authority delegated to them and regularly report to the collegial body on their activities and performance on a regular basis. The Rules of Procedure of each committee, defining its role and specifying its rights and duties, should be published at least once a year (as part of the information that the company publishes annually about its governance structure and practices). Companies should also publish each year in their annual report, without prejudice to the requirements of the legislation on the processing of personal data, the composition, number of meetings and attendance of members of the existing committees during the previous year, as well as the main operational goals and their performance.</p>	<p><b>Yes</b></p> <p><b>Yes</b></p>	<p>The authority of the committees is determined in the Articles of Association of EPSO-G UAB and under the decision of the body forming the committee – the Regulations of the Remuneration and Nomination Committee are approved by the decision of the Board of EPSO-G UAB, and the Regulations of the Audit Committee are approved by the decision of the sole shareholder EPSO-G UAB, as it is permitted by the Requirements for Members of the Audit Committee approved by the Bank of Lithuania (Article 10).</p> <p>The Regulations of the Committees are available on EPSO-G UAB website. Information about the composition, activities of the committees and other information is presented in the consolidated Group's annual report.</p>
<p>5.1.6. In order to ensure the independence and objectivity of committees, members of the collegial body who are not members of the committee should normally be entitled to attend committee meetings only at the invitation of the committee. The Committee may invite or require the attendance of certain employees or experts of the Company. The Chair of each committee should be able to communicate directly with shareholders. The cases in which this should be done should be specified in the rules governing the operation of the Committee.</p>	<p><b>Yes</b></p>	<p>The Regulations of the Committees provide for the right of the members of the Committees to invite, at their discretion, to their meetings the members of the bodies of the companies of the EPSO-G UAB group of companies, employees, representatives, candidates for certain positions or other persons and to obtain from them the necessary explanations within their competence as well as require for that purpose that necessary actions would be carried out needed for the performance of the functions of the Committees.</p>
<p><b>5.2. Nomination committee.</b></p>		
<p>5.2.1. The key functions of the nomination committee should be the following:</p> <p>(1) to select candidates to fill vacancies in the membership of supervisory and management bodies and the administration and recommend the collegial body to approve them. The Nomination Committee should assess the balance of skills, knowledge and experience in the governing body, develop a description of the functions and skills required for the specific position and assess the time required to complete the assignment;</p> <p>(2) to assess, on a regular basis, the structure, size and composition of the supervisory and management bodies as well as the skills, knowledge and activity of its members, and provide the collegial body with recommendations on how the required changes should be sought;</p> <p>(3) to devote the attention necessary to ensure succession planning.</p>	<p><b>Yes</b></p>	<p>The Remuneration and Nomination Committee of EPSO-G UAB serves as the advisory body to the Board of EPSO-G UAB and to the Company's Board. The main functions of the Committee are as follows:</p> <ul style="list-style-type: none"> <li>- assistance in the selection of candidates to members of the bodies in all the group companies;</li> <li>- provision of recommendations for the group companies on appointment of members to the management bodies, conclusion of contracts with them and determination of remuneration for them;</li> <li>- provision of recommendations on the policies of the group companies that govern the remuneration policy and employee performance assessment;</li> <li>- provision of recommendations on the system of succession of critical positions.</li> <li>- makes recommendations on the system of equal opportunities, inclusion and diversity promotion within the Group;</li> <li>- etc.</li> </ul>
<p>5.2.2. The Company's CEO should be consulted on matters relating to members of the collegial body who have an employment relationship with the company and to the Senior Management, with the right to make proposals to the Nomination Committee.</p>	<p><b>Yes</b></p>	<p>The Regulations establish that the right of initiative to convene the Remuneration and Nomination Committee is exercised by the boards or CEOs of the Group of companies that also propose the agenda of the meeting by submitting issue-related materials and draft resolutions.</p> <p>Currently, the Company's Board has no members who have employment relations with the Company.</p>
<p><b>5.3. Remuneration Committee.</b></p>		

<p>The main functions of the Remuneration Committee should be:</p> <ol style="list-style-type: none"> <li>1) submit to the collegial body proposals on the remuneration policy applied to members of the supervisory and management bodies and the heads of the administration for approval. Such policies should cover all forms of remuneration, including fixed remuneration, performance-related remuneration, financial incentive schemes, pension schemes, severance payments, as well as conditions that would allow the company to recover amounts or suspend payments, indicating the circumstances that would make it appropriate;</li> <li>2) submit to the collegial body proposals regarding individual remuneration for members of the collegial bodies and the heads of the administration in order to ensure that they would be consistent with the company's remuneration policy and the evaluation of the performance of the persons concerned;</li> <li>3) review, on a regular basis, the remuneration policy and its implementation.</li> </ol>	<p><b>Yes</b></p>	<p>The Company has a single Remuneration and Nomination Committee, with functions described in detail in point 5.2.1.</p>
<p><b>5.4. Audit Committee.</b></p>		
<p>5.4.1. The key functions of the audit committee are defined in the legal acts regulating the activities of the audit committee<sup>22</sup>.</p>	<p><b>Yes</b></p>	<p>The Audit Committee of EPSO-G UAB serves as the advisory body to the Board of EPSO-G UAB and to the Company's Board. The main functions of the Committee are as follows:</p> <ul style="list-style-type: none"> <li>- supervision of the preparation of the financial statements of the companies of the Group and performance of their audit;</li> <li>- ensuring compliance with the principles of independence and objectivity by the auditors and audit firms of the companies of the Group;</li> <li>- oversight of the effectiveness of the Group companies' internal control, risk management and internal audit systems and business processes;</li> <li>- responsibility for control over provision of non-audit services by the auditor and/or audit firm of the Group companies;</li> <li>- ensuring the functioning of the complaints system and complaints handling;</li> <li>- evaluation of transactions with related parties.</li> </ul>
<p>5.4.2. All members of the committee should be provided with detailed information on specific issues of the company's accounting system, finances and operations. The Audit Committee should be informed by the company's executives of the accounting treatment of significant and unusual transactions, which may be accounted for in different ways.</p>		<p><b>Please see par. 5.4.1.</b></p>

<sup>22</sup> For the purposes of this Code, heads of the administration are the employees of the company who hold top level management positions.

For the purposes of this Code, the criteria of independence of members of the supervisory council are interpreted as the criteria of unrelated parties defined in Article 31(7) and (8) of the Law on Companies of the Republic of Lithuania.

Issues related to the activities of audit committees are regulated by Regulation No 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, the Law on the Audit of Financial Statements of the Republic of Lithuania, and the Rules Regulating the Activities of Audit Committees approved by the Bank of Lithuania.

5.4.3. The Audit Committee should decide whether the participation of the chair of the management board, CEO of the Company, the chief finance officer (or senior employees responsible for finance and accounting), the internal and external auditors in its meetings is required (and, if required, when). The Committee should be able to meet the persons concerned, if necessary, without the presence of members of the management bodies.	<b>Yes</b>	The Regulations of the Audit Committee stipulate that the members of the Committee, at their own discretion, may invite to their meetings the members of the bodies of the companies of the group, their employees, representatives, candidates for certain positions or other persons, and obtain from them the necessary explanations within their competence, as well as require for that purpose that necessary actions would be taken for the performance of the functions of the Committee.
5.4.4. The Audit Committee should be informed about the internal auditor's work programme and should be furnished with internal audit reports or periodic summaries. The Audit Committee should also be informed of the work programme of the external auditors and should receive a report from the audit firm describing any relationship between the independent audit company and the company and its group.	<b>Yes</b>	Please see par. 5.4.3.  The Audit Committee is regularly, at least quarterly, informed about the internal audit reports and at least once every six months, with the internal audit plan and it may provide recommendations with regard to them to the boards of the companies of the EPSO-G Group. The Audit Committee organises meetings with the external auditors to discuss the auditors' work program and uncertainties arising during the audit, and after the performance of the external audit, their conclusions and recommendations are discussed with the external auditors. Each year, before the start of annual audits, the audit firm submits its declaration of independence to the Audit Committee and to the companies.
5.4.5. The Audit Committee should examine whether the company complies with the applicable provisions regulating the possibility of lodging a complaint or reporting anonymously his/her suspicions of potential violations committed at the company and should also ensure that there is a procedure in place for proportionate and independent investigation of such issues and appropriate follow-up actions.	<b>Yes</b>	The Regulations of the Audit Committee stipulate that the Audit Committee ensures the effective functioning of the complaints system and the proportionate and independent investigation of submitted complaints. In the implementation of this function, the Chairperson of the Audit Committee is immediately informed about significant complaints received. In addition, the Audit Committee is regularly reported on all complaints received by the companies of the EPSO-G Group, their investigation and decisions made on the basis of the findings of investigations carried out.
5.4.6. The Audit Committee should submit to the supervisory board or, where the supervisory board is not formed, to the management board its activity report at least once in every six months, at the time that annual and half-yearly reports are approved.	<b>Yes</b>	The Regulations of the Audit Committee stipulate that the Audit Committee submits quarterly activity reports to the Board.  In addition, it submit a consolidated activity report to the Ordinary General Meeting of Shareholders and to the Board of EPSO-G UAB.
<b>6 Principle: Avoidance and disclosure of conflicts of interest</b> The corporate governance framework should encourage members of the company's supervisory and management bodies to avoid conflicts of interest and ensure a transparent and effective mechanism of disclosure of conflicts of interest related to members of the supervisory and management bodies. The corporate governance system should recognise the rights of stakeholders as established by law and promote active cooperation between the company and stakeholders to create wealth, jobs and financial stability. In the context of this principle, stakeholders include investors, employees, creditors, suppliers, customers, the local community and others with an interest in the company.		
A member of a company's supervisory and management body should avoid a situation where his or her personal interests conflict or may conflict with the interests of the company. If such a situation does arise, a member of the supervisory or management body of the company should, within a reasonable period of time, inform the other members of the same body, or the body of the company that elected him or her, or the shareholders of the company of the existence of such a conflict of interests, indicating the nature of the interests and, where possible, the value.	<b>Yes</b>	This obligation is set out in paragraphs 56-57 of the Company's Articles of Association, the Regulations of the management bodies, and the Policy of Management of Interests of Members of Collegial Bodies, Executives and Employees of EPSO-G Group.  Article 30 of the Company's Articles of Association stipulates that upon emergence of new circumstances, which may lead to a conflict of interests of a member of the Board, the member of the Board must notify the Board and the Company of such new circumstances without any undue delay.

<b>7 Principle: Company's remuneration policy</b>		
The company's remuneration policy and the procedures for its review and disclosure should prevent potential conflicts of interest and abuse in determining the remuneration of the members of the collegiate bodies and of the executives, and ensure the openness and transparency of the company's remuneration policy, as well as the company's long-term strategy.		
7.1. The company should approve and post the remuneration policy on the website of the company; such policy should be reviewed on a regular basis and be consistent with the company's long-term strategy.	<b>Yes</b>	The Company applies the Guidelines for Determining the Remuneration for Service at the Bodies of EPSO-G UAB and EPSO-G UAB Group Companies, which are approved by the sole shareholder EPSO-G UAB and are available to public. The Company applies in full EPSO-G Group's Remuneration, Performance Appraisal and Training Policy. The Remuneration Policy is available to the public.
7.2. The remuneration policy should include all forms of remuneration, including the fixed-rate remuneration, performance-based remuneration, financial incentive schemes, pension arrangements and termination payments as well as the conditions specifying the cases where the company can recover the disbursed amounts or suspend the payments.	<b>Yes</b>	All possible forms of remuneration for collegiate bodies and employees are set out in the Guidelines for determining remuneration for activities in the corporate bodies of EPSO-G UAB and EPSO-G Group and in the Remuneration, Performance Assessment and Development Policy of the EPSO-G Group. Both documents are made public.
7.3. With a view to avoid potential conflicts of interest, the remuneration policy should provide that members of the collegial bodies which perform the supervisory functions should not receive remuneration based on the company's performance.	<b>Yes</b>	The Company applies the Guidelines for Determining the Remuneration for Service at the Bodies of EPSO-G UAB and the EPSO-G Group Companies, which define a fixed remuneration for independent members of the collegial bodies. The members of the Board do not receive remuneration (bonuses) based on the Company's performance.
7.4. The remuneration policy should provide sufficient information on the policy regarding termination payments. Termination payments should not exceed a fixed amount or a fixed number of annual salaries and should generally not exceed a fraction of two years' fixed remuneration or its equivalent. Termination payments should not be paid if the contract is terminated because of poor performance.	<b>No</b>	The Remuneration, Performance Appraisal and Training Policy of the EPSO-G Group stipulates that the Group companies do not enter into advance agreements on the amounts of termination benefits (except for the heads of the companies whose terms of employment are determined by the Board). The amounts of termination benefits are determined by taking into account the mandatory minimum amounts of such benefits established by the provisions of labour law, except for exceptional cases when there are objective reasons for the agreement on higher amounts of benefits. The Board of the company shall be informed about the payment of such benefits and the grounds for their payment during the upcoming meeting
7.5. In the event that the financial incentive scheme is applied at the company, the remuneration policy should contain sufficient information about the retention of shares after the award thereof. In the case of a share-based award, the shares should not vest for at least three years after the award. After vesting, members of the collegiate bodies and executives should retain a certain number of shares until the end of their term of office, depending on the need to cover any costs associated with the acquisition of shares.	<b>Not applicable</b>	No such schemes are applied at the Company.
7.6. The Company should publish information about the implementation of the remuneration policy on its website, with a key focus on the remuneration policy in respect of the collegial bodies and managers in the next and, where relevant, subsequent financial years. It should also provide an overview of how the remuneration policy was implemented in the previous financial year. This type of information should not contain information of commercial value. Particular attention should be paid to significant changes in the company's remuneration policy compared to the previous financial year.	<b>Yes</b>	General information on the implementation of the Remuneration Policy and average salary levels by each category of employees are disclosed to public in the Company's annual report. According to Article 25(5) of the Law on Energy of the Republic of Lithuania, the Company discloses remuneration of the members of the Company's management bodies, and other benefits related to the functions of the members of the management bodies. Information on employee remuneration is made available to public on a quarterly basis on the Company's website.



7.7. It is recommended that the remuneration policy or any major change of the policy should be included on the agenda of the general meeting of shareholders. Schemes where members of the collegial body and employees are remunerated in shares or share options should be approved by the General Meeting of Shareholders.	Yes  Not applicable	The remuneration of the members of the Company's Board is determined by the General Meeting of Shareholders of the Company. When determining the remuneration, the Company follows the Guidelines for Determining the Remuneration for Service at the Bodies of EPSO-G UAB and the EPSO-G Group Companies, which are approved by the sole shareholder EPSO-G UAB. Such schemes are not applied at the Company.
<b>8 Principle: Role of stakeholders in corporate governance</b> The corporate governance framework should recognise the rights of stakeholders entrenched in the laws or mutual agreements and encourage active cooperation between the company and stakeholders in creating the company value, jobs and financial sustainability. In the context of this principle, stakeholders include investors, employees, creditors, suppliers, customers, the local community and others with an interest in the company.		
8.1. The corporate governance framework should ensure that the rights and lawful interests of stakeholders are protected.	Yes	The Company has adopted the Transparency and Communication Policy of the EPSO-G Group of Companies, which establishes goals to increase awareness and understanding of stakeholders about the activities of the EPSO-G Group of companies and individual group companies; to ensure employee engagement; to create and maintain sustainable relationship with stakeholders based on mutual respect.
8.2. The corporate governance framework should create conditions for stakeholders to participate in corporate governance in the manner prescribed by law. Examples of participation by stakeholders in corporate governance include the participation of employees or their representatives in the adoption of decisions that are important for the company, consultations with employees or their representatives on corporate governance and other important matters, participation of employees in the company's authorised capital, involvement of creditors in corporate governance in the cases of the company's insolvency, etc.	Yes	<p>The Company, together with the representatives of the Company's employees, conducts consultations, negotiations and briefings on the processes for improving efficiency of the Company's operations.</p> <p>Stakeholders can take part in the corporate governance to the extent permitted by law.</p>
8.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.	Yes	The stakeholders are provided with the conditions to familiarise themselves with the required information.
8.4. Stakeholders should be provided with the possibility of reporting confidentially any illegal or unethical practices to the collegial body performing the supervisory function.	Yes	<p>The Company's Trust Line contacts are available to public on the Company's official website. The contacts can be used by the stakeholders to report any incidents of violation of environmental, occupational health and safety requirements, unethical or inappropriate work practices, violation of anti-corruption requirements. The stakeholders are introduced to the possibility to contact directly the head of the Company or the chairperson of the Board.</p> <p>The Audit Committee operating at the level of the EPSO-G Group of companies ensures the functioning of the system of lodging complaints and their handling.</p>
<b>9 Principle: Disclosure of information</b> The corporate governance framework should ensure that timely and accurate disclosures are made on all material matters concerning the company, including its financial position, performance and corporate governance.		
9.1. Without prejudice to the Company's procedures for confidential information and trade secrets, as well as to the requirements of the legislation governing the processing of personal data, the Company's public disclosures should include, but not be limited to:	Yes	The Company applies the Transparency and Communication Policy of the EPSO-G Group, based on which the essential financial and non-financial information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.2. the company's performance and financial results;	Yes	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.3. the company's business objectives and non-financial information;	Yes	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.

9.4. the persons owning or controlling a shareholding in the company, directly and/or indirectly and/or jointly with associated persons, as well as the structure of the group of companies and the interrelationships between them, with an indication of the ultimate beneficial owner;	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual reports and on the Company's and/or the Group companies' website.
9.5. the members of the Company's supervisory and management bodies, which of them are considered independent, the Company's CEO, their shareholdings or votes in the Company, and their involvement in the management of other companies, their competence and remuneration;	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.6. reports from existing committees on their composition, number of meetings and attendance of members during the previous year, as well as on their main activities and results;	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual reports and on the Company's and/or the Group companies' website.
9.7. the potential key risk factors, the company's risk management and supervision policy;	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.8. the company's transactions with related parties;	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.9. key issues relating to employees and other stakeholders (e.g. human resources policies, employee participation in the management of the company, incentives in the form of shares or share options, relations with creditors, suppliers, the local community, etc.);	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.10. the company's governance structure and strategy;	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.11. initiatives and measures of social responsibility policy and anti-corruption fight, significant current or planned investment projects.  This list is deemed minimum and companies are encouraged not to restrict themselves to the disclosure of information included into this list. This principle of the Code does not relieve a company of its obligation to disclose information as required by law.	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.



9.12. When disclosing the information specified in Item 9.1.1 of recommendation 9.1, it is recommended that the company which is a parent company in respect of other companies should disclose information about the consolidated results of the whole group of companies.	<b>Yes</b>	EPSO-G UAB, as a parent company, discloses consolidated information in the consolidated annual report.
9.13. When disclosing the information specified in Item 9.1.4 of recommendation 9.1, it is recommended that the information on the professional experience and qualifications of members of the Company's supervisory and management bodies and the manager of the company as well as potential conflicts of interest which could affect their decisions should be provided. It is further recommended that the remuneration or other income of members of the company's supervisory and management bodies and CEO of the company should be disclosed, as provided for in greater detail in Principle 7.	<b>Yes</b>	Information is disclosed to public in the Company's interim and annual report and on the Company's official website.
9.14. Information should be disclosed in such manner that no shareholders or investors are discriminated in terms of the method of receipt and scope of information. Information should be disclosed to all parties concerned at the same time.	<b>Yes</b>	The Company discloses the information via the information disclosure system used by the NASDAQ Vilnius stock exchange in the Lithuanian and English languages simultaneously. The Company discloses information prior to or after a trading session at NASDAQ Vilnius Stock Exchange and presents it simultaneously to all the markets in which the Company's stock is traded. The Company does not disclose information that may affect the price of its stock in any comments, interviews or by any other means until such information is provided through the information disclosure system of the stock exchange.
<b>10 Principle: Selection of the Company's audit firm</b> The Company's audit firm selection mechanism should ensure the independence of the report and opinion of the audit firm.		
10.1. With a view to obtain an objective opinion on the company's financial position and financial performance results, the company's annual financial statements and the financial information provided in its annual report should be audited by an independent audit firm.	<b>Yes</b>	The Company's financial information is audited by an independent audit firm. The independent auditor is appointed by the General Meeting of Shareholders.
10.2. It is recommended that the audit firm would be proposed to the general meeting of shareholders by the supervisory board or, if the supervisory board is not formed at the company, by the management board of the company.	<b>Yes</b>	The Audit Committee operating at the Group level takes part in the selection process of an auditor, by recommending a candidate for the independent auditor to the Company's Board. As the Board assesses the candidate proposed by the Audit Committee, it proposes the candidate for the approval by the General Meeting of Shareholders.
10.3. In the event that the audit firm has received remuneration from the company for the non-audit services provided, the company should disclose this publicly. This information should also be available to the Supervisory Council or, if the Supervisory Council is not formed at the company, by the management board of the company when considering which audit firm should be proposed to the general meeting of shareholders.	<b>Yes</b>	The fee for non-audit services received by the audit firm is made available to public by the Company. The non-audit services provided by the audit company shall be in accordance with the policy approved by the Audit Committee of EPSO-G Group on the purchase of non-audit services from the audit company or from any network to which the audit company belongs. The provision of non-audit services is supervised by the Audit Committee operating at the Group level, which has all the necessary information about the auditor to provide recommends to the Board on a candidate for the independent auditor.

## INFORMATION ON COMPLIANCE WITH TRANSPARENCY GUIDELINES

EPSO-G UAB and its subsidiaries comply<sup>23</sup> with Resolution No 1052 of the Government of 14 July 2010 On the Approval of the Description of the Guidelines for Ensuring the Transparency of the Activities of State-Owned Enterprises (hereinafter the “Transparency Guidelines”). The application of the Transparency Guidelines is mandatory to EPSO-G as it is a state-owned enterprise (hereinafter the “SOE”). In order to ensure compliance with the Transparency Guidelines across EPSO-G Group, the Business Transparency and Communication Policy of the EPSO-G Group was approved at the Group level, which considers in detail the requirements set forth in the Transparency Guidelines, and defines their applicability to the EPSO-G Group companies.

Implementation of the Transparency Guidelines is largely ensured by Amber Grid AB through disclosure of information in the annual report and on the official website of Amber Grid, where information is disclosed in the format that is acceptable and comprehensible to the stakeholders.

Article 3 of the Transparency Guidelines stipulates that SOE complies with the provisions of the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius AB<sup>24</sup> that are related to public disclosure of information. Information on how Amber Grid complies with the provisions of the Code is provided in Annex to Amber Grid’s Annual Report - Amber Grid Notice of Compliance with the Corporate Governance Code for the Companies Listed on Nasdaq Vilnius AB.

**Below is structured information on the implementation of the Transparency Guidelines:**

The following information must be published/other requirements must be implemented on Amber Grid’s website ( <a href="http://www.ambergid.lt">www.ambergid.lt</a> ):	
Company name, company code and the register in which the data on the Company is collected and stored, registered office (address)	Implemented
Legal form, in case Amber Grid is restructured, reorganised (the way of reorganisation is to be indicated), under liquidation, in the process of bankruptcy or bankrupt	Not applicable
Information on the authority representing the State, i.e. the Ministry of Energy, and link to its official website	Implemented
Operational objectives, vision and mission	Implemented
Structure	Implemented
CEO’s details*	Implemented
Data on the chair and members of the Board*	Implemented
Details of the chair and members of the Supervisory Council*	Not applicable
Names of committees, their chairs and members*	Not applicable
* <i>The following details are published: name, surname, date of commencement of duties, other management positions held in other legal entities, education, qualifications, professional experience; whether the member of the collegial body is elected or appointed as an independent member.</i>	
Total amount of the nominal values of the shares owned by the State (to the nearest euro cent) and the percentage of Amber Grid’s issued capital	Implemented
Implementation of special obligations established under the recommendations approved by the Minister of Economy and Innovations of the Republic of Lithuania: the purpose of special obligations, budget allocations	Implemented

<sup>23</sup> Under Article 17.11 of the Transparency Guidelines, in the event of failure to comply with the Transparency Guidelines, the reasons for such non-compliance must be explained.

<sup>24</sup> Corporate Governance Code for the Companies Listed on Nasdaq Vilnius approved at the Board meeting of Nasdaq Vilnius AB on 15 January 2019, Minutes No 19-63.

in the current calendar year for fulfilment of special obligations, and the legal acts under which the SOE is assigned to fulfil special obligation, the terms for fulfilment of special obligation and/or the regulated pricing	
Information on corporate social responsibility initiatives and measures, major investment projects underway or planned	Implemented
If Amber Grid is a member of other legal entities (not applicable to subsidiaries and second-tier subsidiaries), the name, code, and register in which data on the Company is compiled and stored, registered address, and official websites of such legal entities	Not applicable
A set of Amber Grid's annual financial statements, Amber Grid's annual report, as well as an auditor's report on Amber Grid's annual financial statements must be published on Amber Grid's website within 10 working days from the date of approval of the set of annual financial statements	Implemented
The sets of Amber Grid's interim financial statements and Amber Grid's interim reports must be published on website not later than within 2 months after the end of the reporting period	Implemented
<b>The following documents must be provided/other requirements must be implemented on Amber Grid's website (<a href="http://www.ambergrid.lt">www.ambergrid.lt</a>):</b>	
Amber Grid's Articles of Association	Implemented
Official Letter of the Ministry of Energy on determining the State's goals and expectations for Amber Grid	Not applicable
The business strategy or a summary thereof where the business strategy contains confidential information or information considered to be a commercial/industrial secret	Implemented
Remuneration policy that covers determination of remuneration for CEO and members of collegial bodies and committees of Amber Grid	Implemented
Amber Grid annual and interim reports	Implemented
Sets of annual and interim financial statements for a period of at least five years and auditor's reports on the annual financial statements	Implemented
The above documents are published in PDF format and are technically printable	Implemented
<b>Other requirements must be met/published in the financial statements and reports:</b>	
Amber Grid keeps its accounting records in a way that ensures preparation of the financial statements in accordance with the International Accounting Standards	Implemented
Amber Grid prepares a set of financial statements for the period of 6 months.	Implemented
In addition to annual report, Amber Grid prepares an interim report for the period 6 months.	Implemented
<b>In addition to the content requirements set forth in the Law on Financial Reporting by Undertakings of the Republic of Lithuania, the following information must be disclosed by Amber Grid :</b>	
Brief description of Amber Grid's business model	Implemented
Information on significant events occurring during the financial year and after the end of the financial year (until the date of preparation of annual report) that had material impact on the activities of Amber Grid	Implemented
Results for the objectives set out in the Operational Strategy	Implemented
Profitability, liquidity, asset turnover, debt ratios	Implemented
Compliance with specific obligations	Implemented
Implementation of the investment policy, ongoing and planned investment projects and investments during the year under review	Implemented
Implementation of the risk management policy applied by Amber Grid	Implemented
Implementation of the dividend policy	Implemented
Implementation of the remuneration policy	Implemented
Total annual salary bill, average monthly salary by position and/or department	Implemented

It is recommended that SOEs that are not required to prepare a corporate social responsibility, include information on environmental, social and human resources, human rights, anti-corruption and anti-bribery issues in their annual report or annual activity report, as appropriate	Implemented
The consolidated annual report shall include the structure of the group, the name, code and register number of each subsidiary company in which data on the Company are collected and stored, the registered office (address), the percentage of shares held in the subsidiary company's issued capital, and the financial and non-financial performance of the financial year	Not applicable
The interim report of Amber Grid includes the following information: a brief description of Amber Grid's business model, analysis of financial performance during the reporting period, information on significant events occurring during the reporting period, profitability, liquidity, asset turnover and debt ratios and changes therein compared to the respective period in the previous year	Implemented