EPSO-G

Naujoji energetika

Integrated Annual Report

2025



Consolidated Management Report, Consolidated and the Company's Financial Statements for the year ended 31 December 2025 prepared in accordance with the International Financial Reporting Standards as adopted by the European Union

Translation note: This version of Integrated Annual Report is a translation from the original, which was prepared in Lithuanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views the original language version of the document takes precedence over this translation

EPSO-G New Energy · Amber Grid · Baltpool · ENERGY CELLS · EPSO-G Invest · Litgrid · TETAS

Contents

CONSOLIDATED MANAGEMENT REPORT ... 3
Chairman‘s Foreword ... 3
CEO’s Foreword ... 4
1. EPSO-G group of companies: who we are ... 7
1.1. Structure of the Group of Companies ... 7
1.2. Activities Carried out by the Group of Companies ... 8
1.3. Infrastructure Managed by the Group of Companies ... 9
1.4. Position of the Group companies in the Simplified Business Value Chain ... 11
1.5. Membership in Organisations ... 12
2. Operating and Regulatory Environment ... 14
2.1. Operating Environment ... 14
2.2. Regulatory Environment: Pricing of Regulated and Other Services ... 15
2.3. Key Regulatory and Other Legal Changes ... 20
2.4. Significant events during the reporting period ... 22
2.5. Significant Events after the end of the Reporting Period ... 26
3. Business Strategy and Planned Investments ... 28
3.1. EPSO-G Group Strategy ... 28
3.2. Key EPSO-G Group Projects until 2035 and the Value they Create ... 31
3.3. Planned Investments until 2035 ... 34
3.4. EPSO-G Goals for 2026 ... 35
3.5. 10-year Network Development Plans ... 36
3.6. Strategy and other planning document update process ... 36
4. Our Results ... 38
4.1. Report on the Achievement of Strategic Indicators ... 38
4.2. Results by Relevant Energy Sector ... 40
4.3. Implementation of the Company's Annual Targets ... 42
4.4. Key Projects Implemented ... 43
4.5. Research and Development Activities ... 44
4.6. Financial Report ... 46
4.7. Transactions with Related Parties ... 55
5. How We Make Decisions ... 57
5.1. EPSO-G Operating System and Documents ... 57
5.2. EPSO-G Collegial Bodies and Their Activities ... 60
5.3. EPSO-G Management and Responsible Persons ... 71
5.4. Risk Management System ... 73
5.5. Compliance, Anti-corruption Activities and Conflict of Interest Management ... 80
5.6. Audit and Financial Reporting ... 82
6. Our Employees and Remuneration Policy ... 86
6.1. Employees and their Composition ... 86
6.2. Remuneration Policy and Monitoring ... 90
6.3. Information on Employee Remuneration ... 93
6.4. Information on Remuneration of Members of Collegial Bodies ... 93
7. Information on Special Obligations ... 98
7.1. PSO fund administration activities ... 98
8. Sustainability report ... 101
8.1. ESRS 2 General information ... 101
8.2. Environmental area ... 125
8.3. Environmental information ... 145
8.4. Social information ... 167
8.5. Governance information ... 182
8.6. Annexes ... 187
9. Additional information ... 200
9.1. Information on compliance with transparency guidelines ... 200
9.2. EPSO-G report on compliance with the Corporate Governance Code for companies listed on NASDAQ Vilnius ... 202
9.3. Details and other general information about UAB EPSO-G ... 218
9.4. Details of EPSO-G group companies ... 219
10. Approval of responsible persons ... 221
11. CONSOLIDATED AND THE COMPANY’S FINANCIAL STATEMENTS ... 222

CONSOLIDATED MANAGEMENT REPORT

Chairman‘s Foreword

Dear readers,

The year 2025 once again confirmed that energy is one of the cornerstones of national security and state resilience. The complex geopolitical environment encouraged us to focus on the strategic goal of strengthening Lithuania's energy security by ensuring a reliable, resilient and integrated energy system with Europe.

The most important event of the year was the synchronisation of the Baltic countries' electricity systems with the continental European networks on 9 February 2025. This was not only a technological achievement, but also a strategic decision that cemented the energy independence of Lithuania, Latvia and Estonia. The EPSO-G Group's contribution to this process was significant and became an important part of the region's energy history.

The pursuit of energy independence shapes the common future of the Baltic region. Cooperation with partners in the Nordic and Baltic countries, regional integration and involvement in initiatives such as the green hydrogen corridor or the Baltic-German PowerLink energy hub demonstrate our ability to think strategically and act together.

Lithuania's energy and national security are inextricably linked today. In response to this reality, the EPSO-G Group is consistently strengthening the physical and cyber security of critical infrastructure, ensuring uninterrupted energy transmission and becoming more actively involved in the defence industry with international partners, seeking new synergies to strengthen national security.

Solidarity with Ukraine is of particular importance to us. The transfer of critically important infrastructure to Ukrainian energy companies in 2025 reflects our clear position on values – energy security is a common European interest and responsibility.

Sustainable solutions are impossible without a strong organisational culture. Joining the Diversity Charter was a logical step in creating an inclusive, respectful and trusting working environment where the group's values are reflected in everyday activities and leadership.

I would like to express my sincere gratitude to all EPSO-G Group employees. Your professionalism and responsibility not only ensure reliable energy transmission, but also create long-term value for Lithuania and the entire region by strengthening security, resilience and the well-being of future generations.



“The complex geopolitical environment has prompted a focus on the strategic goal of strengthening Lithuania's energy security by ensuring a reliable, resilient and integrated energy system“

Robertas Vyšniauskas,
Chairman of the Board of EPSO-G

CEO’s Foreword

Dear Readers,

2025 was a significant year for Lithuania and the region in terms of energy and national security. The most important and fundamental event – the culmination of a long journey – was undoubtedly the synchronisation of the Baltic countries' electricity systems with the continental European networks. This was the result of long-term and focused joint efforts by the Baltic countries, for which we prepared consistently and responsibly.

9 February 2025 became a turning point, marking a new stage of energy independence. In November of the same year, after evaluating all the documents and reports, the continental European electricity transmission system operators formally confirmed that the Baltic electricity operators meet all the technical requirements for permanent connection to the continental European electricity system via Poland.

This strategic step was reinforced by record growth in local electricity production. In 2026, the installed capacity of renewable energy sources (RES) has already reached 6 gigawatts (GW). In 2025, the increase in installed capacity was a record 1.9 GW. Lithuania is among the leaders in Europe in terms of the pace of wind and solar capacity development.

In 2025, Lithuania was completely self-sufficient in electricity produced in the country for 70 days, with imports accounting for only 27 per cent. (By comparison, in 2024 there were only 5 such days, and we imported 41 per cent of our electricity). The price of electricity on the exchange was the lowest in the last five years. This price level is determined by the development of renewable energy sources (RES) – RES production covered about half of Lithuania's electricity demand, the availability of connections and other price-forming factors.

The year also saw the first significant steps in the area of system flexibility. The first commercial battery storage system was connected to the transmission network, and solar power plants and storage facilities in the distribution network began to provide balancing services. Growing flexibility capacities provide a solid foundation for further system development, making the expansion of flexibility solutions and electrification an increasingly important priority for the Group.

We paid great attention to the reliability and resilience of the system. We strengthened the physical and cyber security of critical infrastructure and invested in solutions that enable the energy system to operate stably even under complex geopolitical or technological conditions. This work is an ongoing and essential part of our responsibility to the state. It is important to note that in January 2026, the European Commission allocated EUR 113 million in funding from the Connecting Europe Facility (CEF) to critical infrastructure resilience projects being implemented by the electricity transmission system operators of Lithuania, Estonia, Latvia and Poland.

In 2025, we expanded into new areas of activity that are shaping the future of energy. We are actively participating in the Lithuanian, Latvian and German offshore power interconnection project, as well as expanding our activities by joining the Nordic and Baltic Hydrogen Corridor project and the development of a carbon dioxide network. These projects strengthen Lithuania's position in Europe and open up new opportunities for the region.

The Group not only plays an important role in ensuring energy security, but also generates benefits for the state and society. The Group's financial results remained stable and sustainable. The Baa1 credit rating with a stable outlook



"9 February 2025 – **the synchronisation of the Baltic countries' electricity networks with the continental European networks** – became a turning point, marking a new stage of energy

Mindaugas Keizeris,
Head of EPSO-G

confirmed by Moody's Investors Service reflects responsible financial management, a balanced debt level and a reliable income structure. This provides a solid foundation for long-term investments and ambitious projects.

In 2025, we began a new phase of investment – in addition to energy independence projects, we also directed part of our investments to the defence industry. This is a strategic decision, responding to the changed geopolitical environment and the growing role of energy in national security. Together with our partners, we are investing in a 155 mm calibre artillery ammunition factory, which is expected to start operating in 2027. The most significant part of the entire group's investments will continue to be allocated to the reliability, development and resilience of energy transmission systems, strengthening the long-term stability of the system and ensuring adequacy and energy availability. We are also consistently investing in people – strengthening employee competencies and developing new talent – with the aim of becoming the energy centre of the future.

I would like to express my sincere gratitude to all my colleagues at the EPSO-G Group for their professionalism, responsibility and courage in making difficult decisions. I would also like to thank the board, the shareholder, its representatives and partners for their trust and cooperation. I believe that 2026 will bring even more determination and unity, strengthening Lithuania's energy independence and creating long-term value for the state.

Key highlights of 2025

Governance

A GCC's Good Governance Index for the EPSO-G Group for 2024/2025

92 %
Percentage of EPSO-G's annual targets for 2025 approved by the Board

80
Percentage of EPSO-G's annual targets for 2025 approved by the Board

Key events of the year:

- Synchronisation of the Baltic countries' electricity systems with continental Europe
- Start of construction work on a 155 mm artillery ammunition factory
- Signed EU funding agreement for the feasibility study of the Nordic–Baltic H_2 corridor
- Resilience programme established
- Created a unified visual identity for the Group

Activities

5,95 GW
RES capacity connected to the electricity system

33,6 TWh
Gas transported through the Lithuanian system

8,75 TWh
Biofuel trade reached

0,28 TWh
of biomethane entered the gas system

Project of the Year – Prestigious PMI Award in the USA

The Baltic States' synchronisation with continental Europe project won the prestigious Project of the Year award at the Project Management Institute (PMI) awards in the US

Finance

76,7 million
Adjusted EBIDTA

42 million
Adjusted net profit

10,6 %
Adjusted ROE

211,1 million
Investment amount in new energy in 2025

Baa1
Credit rating

-14 % GHG
Sustainability

Public procurement leaders in Lithuania

The public procurement activities of three Group companies, Amber Grid, Energy Cells and Litgrid, were recognised as the best in Lithuania in the Public Procurement Leaders competition organised by the Ministry of Economy and Innovation, the Ministry of Environment and the Public Procurement Service.

People

1404
Number of employees in the Group

76 %
Employee engagement survey result

40
eNPS

Reliability

0 Unplanned outages due to operator responsibility in the gas network

0,41 min.
average interruption time (AIT) in the electricity network

10,12 MWh
total amount of electricity not transmitted (ENS)

01

The EPSO-G Group: who we are

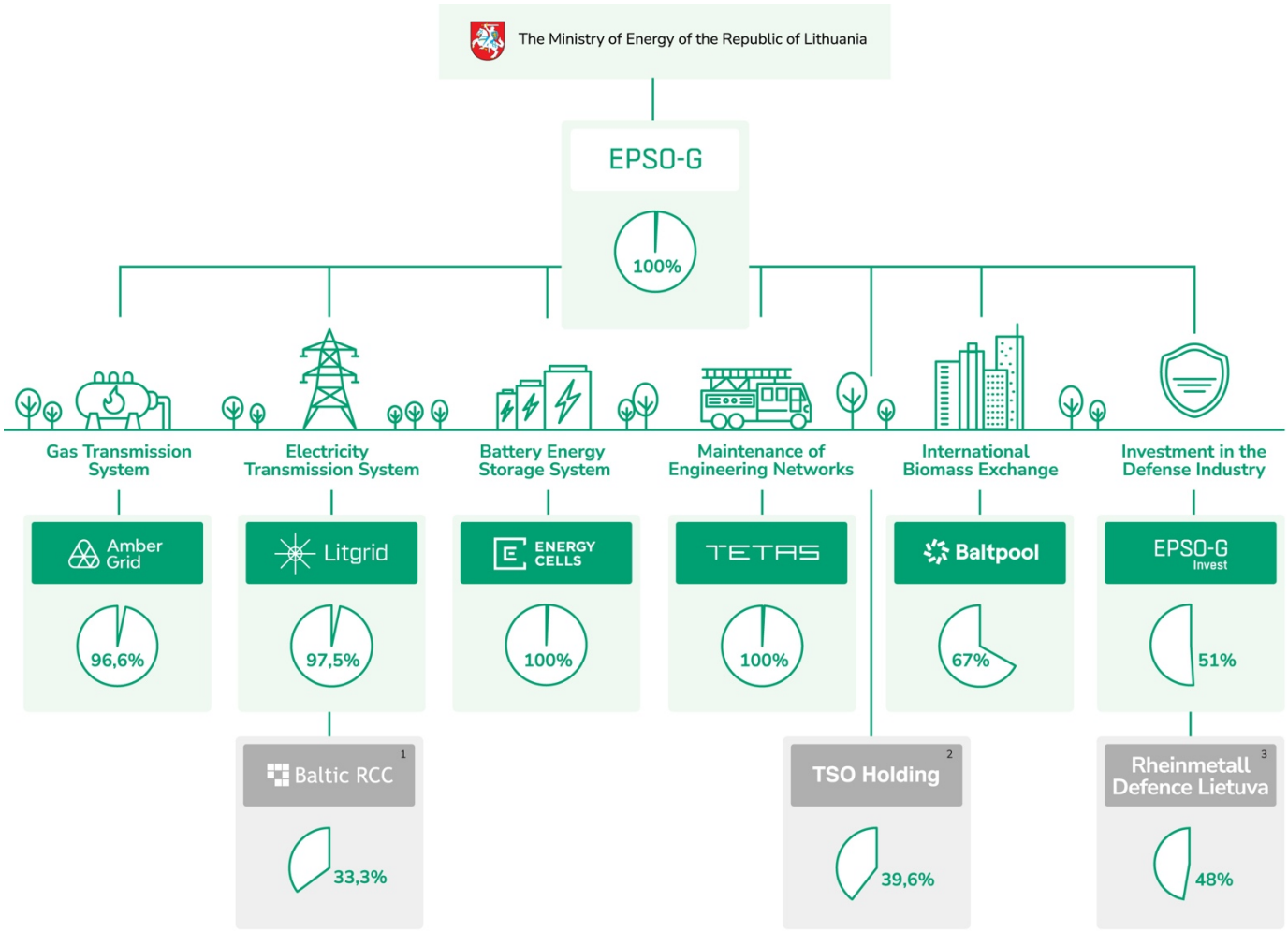


1.1. Structure of the group of companies
1.2. Activities carried out by the group of companies
1.3. Infrastructure managed by the group of companies
1.4. Services provided by the group
1.5. Position of the group companies in the business value chain
1.6. Membership in organisations

1. EPSO-G group of companies: who we are

1.1. Structure of the Group of Companies

EPSO-G is a 100% state-owned new energy group (hereinafter referred to as the Group). The shareholder rights and obligations of the management company EPSO-G (hereinafter referred to as EPSO-G) are exercised by the Ministry of Energy of the Republic of Lithuania. EPSO-G performs the management, supervision and control functions of the Group companies, ensures the implementation of the activities set out in the shareholder's letter of expectations within the Group, coordinates the application of corporate governance in the Group companies and adopts common policies regulating the most important areas, as well as implementing functional supervision and performing other Group management activities.



[1] **Baltic RCC OÜ** is a Baltic electricity transmission system operator established in 2022. Its purpose is to provide and coordinate electricity system security and reliability services among transmission network operators in the Baltic region.

[2] **TSO HOLDING AS** is a minority shareholder in Nord Pool Holding, a Norwegian company, holding 34% of its shares. Nord Pool Holding owns 100% of the shares in the Nord Pool electricity exchange. Nord Pool provides electricity exchange services in Central and Western Europe, the United Kingdom, the Nordic countries and the Baltic states. The exchange trades in electricity and provides clearing and settlement services.

[3] **Rheinmetall Defence Lietuva**, UAB, is developing a 155 mm artillery ammunition factory in Baisogala. 51% of the shares are owned by Rheinmetall Waffe Munition GmbH, 48% by UAB EPSO-G Invest and 1% by the joint-stock company Giraitės ginkluotės gamykla.

1.2. Activities Carried out by the Group of Companies

Our main activity is to ensure energy transformation and security of supply

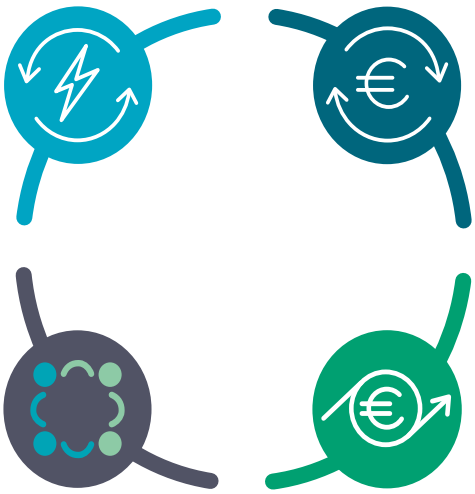
The services provided by the group's companies comply with legal requirements and are not restricted in other markets.

Transmission infrastructure

By developing and managing critical infrastructure, we ensure the security and sustainability of the energy system

System management

We ensure the safe and reliable operation of the integrated energy system



Exchange services

By enabling trade in environmentally friendly fuel, we contribute to energy security and decarbonisation goals

Investment activities and engineering services

We provide engineering and consulting services, implementing environmentally friendly technologies and developing infrastructure, and we invest in the defence industry.

GROUPS OF CUSTOMERS FOR THE SERVICES PROVIDED BY THE GROUP

System management:

ensuring efficient operations and AEI utilisation

Electricity producers and distributors responsible for network balancing/unbalancing, large Lithuanian electricity and centralised heat production companies, as well as industrial companies and medium-sized Lithuanian businesses Baltic and third-country energy and gas supply natural gas transmission service companies.

Exchange services:

established in Lithuania and continuing international expansion

Biofuel buyers (central heating companies (heating networks), independent heat producers and other companies using biofuel) and biofuel sellers (wood pellet and chip producers and distributors), as well as wood buyers/sellers, fuel suppliers, electricity consumers, heat suppliers.

Transmission infrastructure:

largest transmission network in the Baltic States

Distribution network operators, electricity/gas consumers directly connected to the transmission system; electricity producers directly connected to the transmission system; landowners and managers, renewable energy source (RES) project developers; battery park developers.

Investment activities and engineering services:

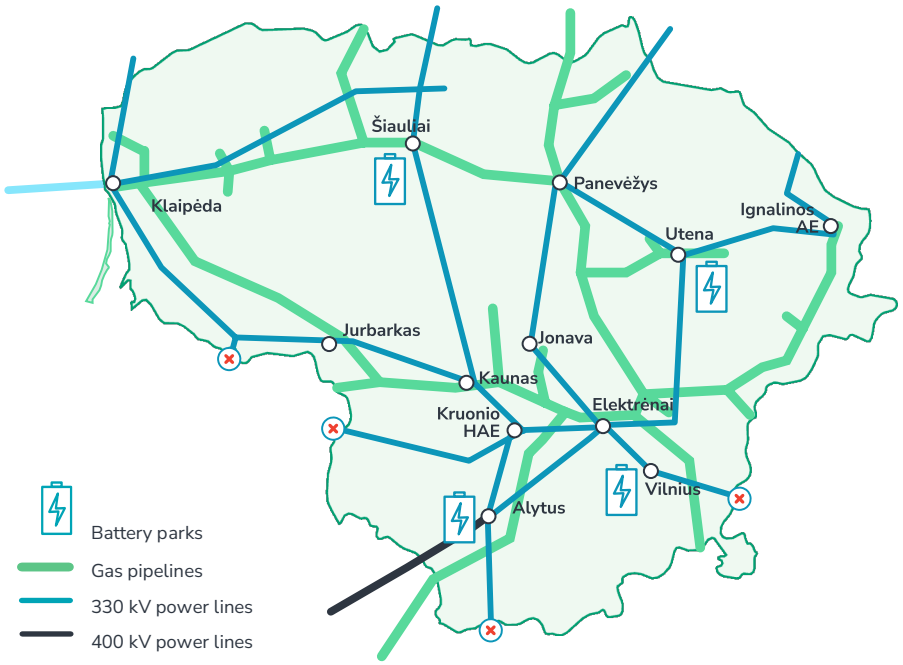
a reliable partner in the development of energy and defence infrastructure

Electricity transmission system operators, electricity distribution system operators, RES and BESS park developers, defence industry manufacturers, defence sector institutions and organisations.

We are planning to expand into international markets and develop new services, such as CO_2 and H_2 transport. This should expand our service and customer groups in the future (over the next 10 years).

1.3. Infrastructure Managed by the Group of Companies

Main energy infrastructure managed by the EPSO-G Group in Lithuania (31 December 2025)



7542 km

High-voltage overhead power lines and cables, of which:
103 km 400 kV
2143 km 330 kV
210 km 300 kV DC
5086 km 110 kV

251

Transformer substations and distribution stations, of which:
1 is 400 kV
23 are 330 kV
227 are 110 kV

2290

High-pressure gas pipelines

68

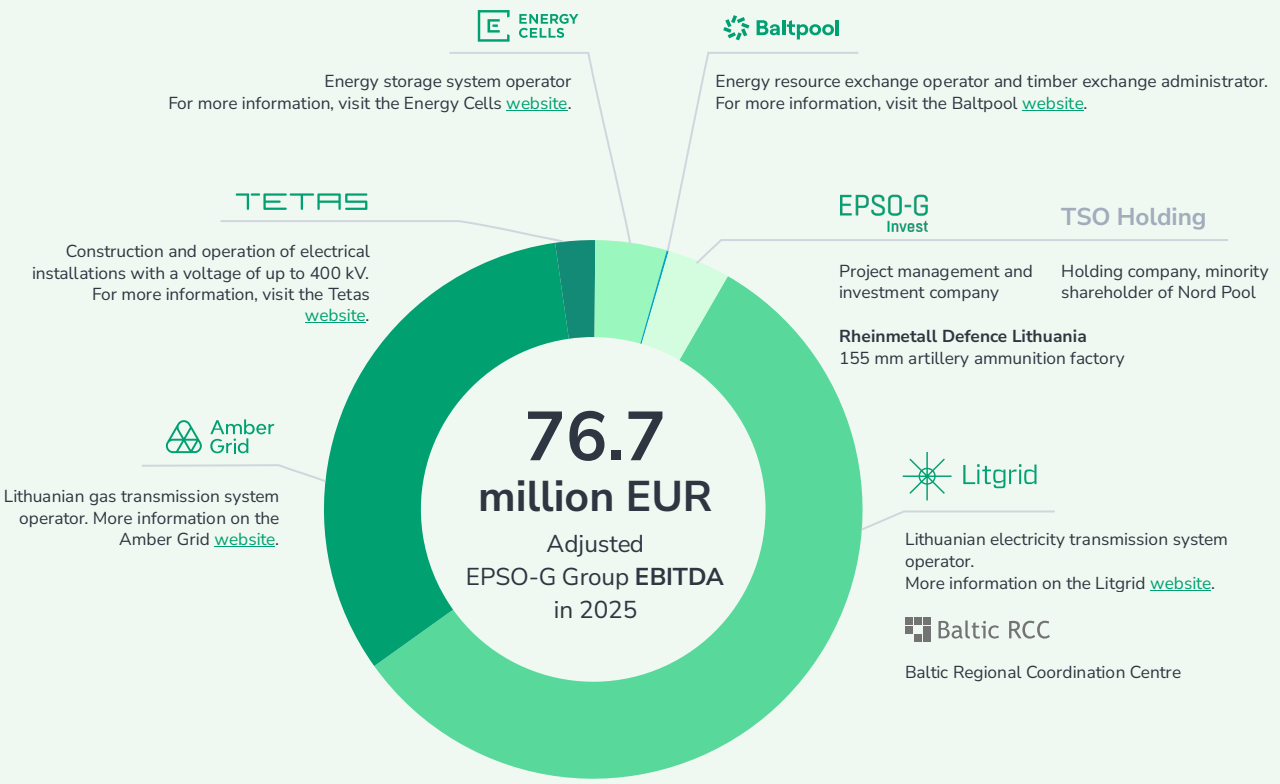
Gas distribution stations and gas metering stations

4 locations

Battery parks

200 MW

Total installed capacity of battery parks



Main services provided by EPSO-G group companies

Litgrid

Lithuanian electricity transmission system operator

- Maintenance and technical supervision of electricity transmission infrastructure
- Electricity transmission
- Additional services to support system operation
- Balancing and regulation electricity trading
- Transmission of electricity generated from renewable energy sources (RES), issuance and revocation of guarantees of origin

Amber Grid

Lithuanian gas transmission system operator

- Gas transmission infrastructure maintenance and technical support
- Gas transmission
- Gas flow balancing in the transmission system
- Administration of the AEI gas origin guarantee register
- Administration of compensation funds for liquefied natural gas (LNG) terminal maintenance costs

ENERGY CELLS

Energy storage system operator

- Isolated electricity system working reserve service
- Function of reducing technological losses of electricity TSOs
- Energy consulting services

TETAS

Construction and maintenance of the electricity network

- Construction and operation of electrical installations with a voltage of up to 400 kV
- Installation of electricity supply and distribution facilities
- Electricity network construction
- Technical maintenance and reconstruction
- Testing and diagnostics of equipment

EPSO-G Invest

Project management and investments

- Project management
- Investments in an artillery factory

Baltpool

Biofuel and timber exchange

- Biofuel exchange operation
- Administration of timber auctions
- Organisation of heat auctions
- PSO fund administration
- Administration of fuel from renewable energy sources (DAEI) accounting units
- Administration of emergency intervention funds
- Biofuel sustainability declaration administration service

1.4. Position of the Group companies in the Simplified Business Value Chain



1.5. Membership in Organisations

In 2025, we actively participated in the activities of national and various international organisations and associations. Our involvement in the activities of Lithuanian and foreign organisations allows us to strengthen our competencies, share best practices and participate in joint projects with other countries that contribute to strengthening Lithuania's energy independence.

European Network of Transmission System Operators for Electricity www.entsoe.eu

Bionergy Europe Association www.bioenergyeurope.org

EASEE-gas Association www.easee-gas.eu

European Network of Transmission System Operators for Gas www.entsog.eu

European Clean Hydrogen Alliance www.europa.eu/...

European Hydrogen Network Association – www.ennoh.eu

European Renewable Gas Registry – www.ergar.org

European Hydrogen Backbone Initiative – www.ehb.eu

Infobalt Association – www.infobalt.lt

International Council on Large Electric Systems (CIGRE) – www.cigre.org

Association of issuing bodies – www.aib-net.org

Lithuanian-Polish Chamber of Commerce - www.plcc.lt

Lithuanian Project Management Association - www.ipma.lt

LITHUANIA CO_2 PLATFORM

Lithuanian CO2 Platform - enmin.lrv.lt/...

LITHUANIAN HYDROGEN PLATFORM

Lithuanian Hydrogen Platform – enmin.lrv.lt/...

National Energy Association of Lithuania – www.nlea.lt

Association of Human Resource Management Professionals – www.pvpa.lt

Lithuanian Responsible Business Association – www.atsakingasverslas.lt

Kaunas Chamber of Commerce, Industry and Crafts – www.chamber.lt

Oil and Methane Gas Partnership 2.0 – www.ogmpartnership.com/

Baltic Institute of Corporate Governance – www.bicg.eu

Hydrogen Energy Association - www.h2lt.eu

Lithuanian Diversity Charter - http://diversity.lt/

02

Operating and Regulatory Environment

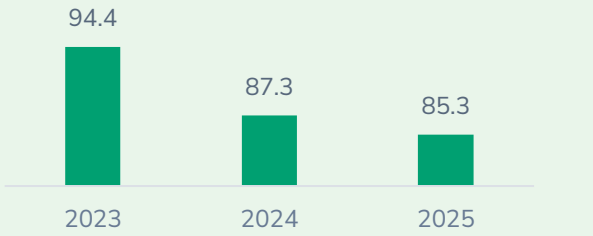


2.1. Operating environment
2.2. Regulatory environment – pricing of regulated and other services
2.3. Key regulatory and other legal changes
2.4. Significant events during the reporting period
2.5. Significant events after the end of the reporting period

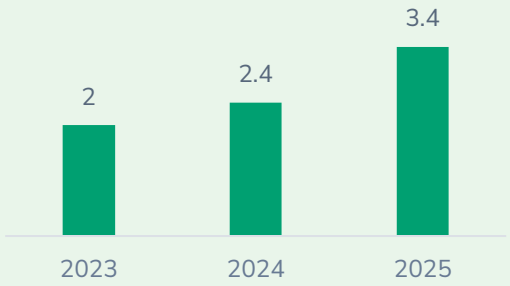
2. Operating and Regulatory Environment

2.1. Operating Environment

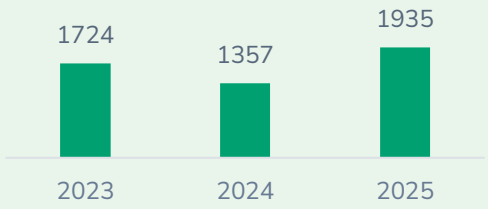
1 Nord Pool daily electricity prices in the Lithuanian price zone, EUR/MWh (Nord Pool data)



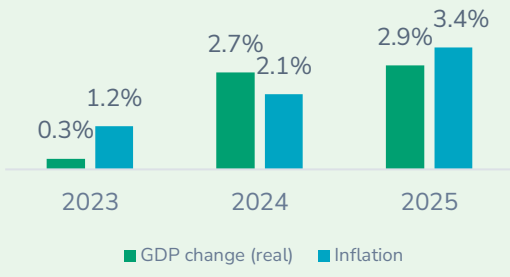
2 Lithuanian national defence funding, billion euros (Ministry of National Defence data)



3 Annual growth in installed wind and solar power capacity in Lithuania, MW



4 Change in Lithuania's GDP and inflation over the year, % (State Data Agency data)



Energy prices

- According to Nord Pool *day*-ahead market data, the average wholesale electricity price in the Lithuanian price zone in 2025 was EUR 85.31/MWh (2.4 per cent less than in 2024).
- According to data from the GET Baltic and EEX natural gas exchanges, monthly gas prices in Lithuania ranged from a high of EUR 55.45/MWh (in February) to a low of EUR 30.57/MWh (in December).
- Energy resource prices remained essentially stable, continuing their slight decline. However, in 2025, electricity prices continued to fluctuate at different times of the day, and balancing energy prices remained particularly high. This affects the financial position of the Group's companies and encourages the market to invest in flexibility services and infrastructure.

Security and defence

- The security environment in the Baltic Sea region remained tense, so the importance of critical infrastructure protection continued to grow – this is particularly relevant to our Group, which manages energy facilities of national importance in Lithuania.
- Various measures, including synchronisation implementation and cyber and physical infrastructure resilience projects, have increased Lithuania's energy security, and negotiations with the European Commission on additional funding for the implementation of resilience measures have been ongoing.
- Security challenges continue to encourage Lithuania and other countries in the region to rapidly increase defence spending, which reached a record high in Lithuania in 2025. Our Group's participation in the

RES development

- In 2025, Lithuania recorded the largest increase in installed RES capacity to date. During the year, 1,935 MW of RES wind and solar capacity was connected to the electricity transmission and distribution networks.
- This allows Lithuania to achieve its energy independence goals more quickly (by increasing local electricity production), but at the same time poses new challenges due to the variability of RES production.
- Therefore, commercial storage solutions are being rapidly expanded – at the end of 2025, the first commercial battery storage facilities with a total installed capacity of 119 MW were connected to the transmission network.
- According to ESO data, storage facilities with an installed capacity of 96 MW were connected to the distribution network at the end of 2025.

Economic growth and inflation

- According to data from the State Data Agency, Lithuania recorded real GDP growth of 2.9% in 2025, while inflation (in December) reached 3.4%.
- With inflation falling in the EU, the European Central Bank pursued a more aggressive interest rate reduction policy, but the decline in interest rates slowed somewhat in mid-2025.
- Lower interest rates and increased uncertainty over US tariffs led to greater price volatility.
- For the second year in a row, stable economic growth is having a positive impact on electricity consumption in Lithuania, while stable interest rates allow us to better predict potential borrowing costs and borrowing opportunities.

2.2. Regulatory Environment: Pricing of Regulated and Other Services

Our electricity and natural gas transmission and energy storage activities, as well as our activities as an energy resource market operator, are licensed and/or authorised. Licences grant exclusive rights to provide transmission and market operator services in the territory of the Republic of Lithuania.

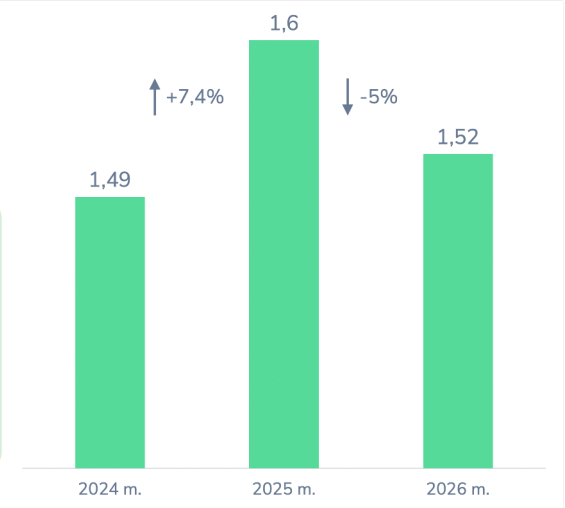
The electricity and natural gas transmission system operators and the designated storage system operator managed by us are the only ones in Lithuania currently licensed to provide these services. They operate under natural monopoly conditions, therefore the prices of their activities are regulated by the state. The trading fees set by the energy resource market operator we manage are coordinated with the regulatory authority. The regulatory function and supervision of licensed activities in Lithuania is performed by the National Energy Regulatory Council (hereinafter referred to as NERC).

The decisions taken by the regulatory authority determine the financial results of our group's regulated companies, the allocation of funds for necessary operating costs, investments in the development and reliability of electricity and gas transmission systems, as well as the possibility to finance strategic projects with own or borrowed funds.

Amber Grid regulated activity prices

Amber Grid

NERC-approved average price of Amber Grid gas transmission services for Lithuanian consumers, EUR/MWh



The 7.4% increase in 2025 was determined by the forecasted decline in gas transmission demand in Lithuania.

The 5% decrease in 2026 was determined by regulatory and cost differentiation changes provided for in the price setting methodology (following public consultations that ended in early 2025).

For more detailed information on Amber Grid's service prices, see the Amber Grid website.

The average price of gas transmission services applied by Amber Grid in 2025 for Lithuanian consumers' needs in 2025 was 1.60 Eur/MWh. Compared to the average price applied in 2024 (EUR 1.49/MWh), it increased by 7.4%. The price change in 2025 was determined by the declining demand for gas transmission in Lithuania used to set prices for 2025, which, as forecast, was expected to decline further in 2025. That is, a planned 19.6%(from 21 TWh, estimated at 2024 prices, to 16.9 TWh, estimated when setting prices for 2025) decline in demand, and on 10 May 2024, NERC approved a 4.75% lower (compared to the 2024 level) The decrease in the revenue cap in 2025 was mainly due to a 41.7% reduction in technological costs (mainly due to falling natural gas prices on the market). On 29 May 2025, NERC approved the natural gas transmission system operator's revenue cap for 2026, which was set at 10.5% lower than the revenue cap approved on 21 May 2024.

On 29 May 2025, NERC approved the natural gas transmission service prices approved by the head of Amber Grid on 21 May 2025, which will come into force on 1 January 2026. The prices of Amber Grid's transmission services approved by NERC, applicable from 1 January 2026, are published on the Amber Grid website.

It has been confirmed that the average price of gas transmission services for Lithuanian consumers in 2026 will decrease by 5% compared to the average price applied in 2025 (1.60 EUR/MWh) and will amount to 1.52 EUR/MWh, i.e. it will be close to the 2024 price (1.49 EUR/MWh). The prices and the price for Lithuanian consumers' needs were set taking into account the upper limit of Amber Grid's regulated service revenue for 2026, approved by NERC on 30 April 2025, which is 30% higher than for 2025, and the approved changes to the methodology applied to the calculation of transmission service prices from 2026. The decrease in prices for Lithuanian consumers in 2026 was determined by changes in the methodology for setting transmission service prices, which were approved after a public consultation organised by NERC and completed on 14 February 2025 (taking into account European Commission Regulation (EU) No. 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for natural gas (TAR NC)). European Commission Regulation (EU) No. 2017/460 establishing a harmonised network code on transmission tariff structures for natural gas (TAR NC), Article 26(1) of European Commission

Regulation (EU) No 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for natural gas (TAR NC), on the methodology for setting the prices of services provided by Amber Grid and the preliminary draft price adjustment for 2026-2028, taking into account the comments received from interested parties. The change in the 2026 revenue cap was driven by an increase in all categories of regulated costs (compared to 2025) of approximately 10% due to inflation and investments made, as well as the inclusion of the final part of the compensation to the Polish gas transmission system operator for the implementation of the Lithuania-Poland interconnection project of common interest, which increases costs by approximately 3%. Another significant reason for the increase in the revenue cap by about 17% is the assessment of deviations in revenue, costs and return on investment for previous periods.

In 2026, transmission service prices at all gas entry points (except for the commercial entry point for green gas (biogas, hydrogen) at the point of entry into the transmission system) will be kept in line with the entry prices applied in the neighbouring tariff zones of Latvia, Estonia and Finland – EUR 142.77/MWh/day/year. A 100% discount will be applied at the connection point of the Lithuanian transmission system with biogas production facilities (internal entry point), i.e. zero (0) prices will be applied. A uniform long-term firm capacity price of EUR 170.14/MWh/day/year will be set at all gas exit points. The variable transmission service price at exit points will be EUR 0.12/MWh.

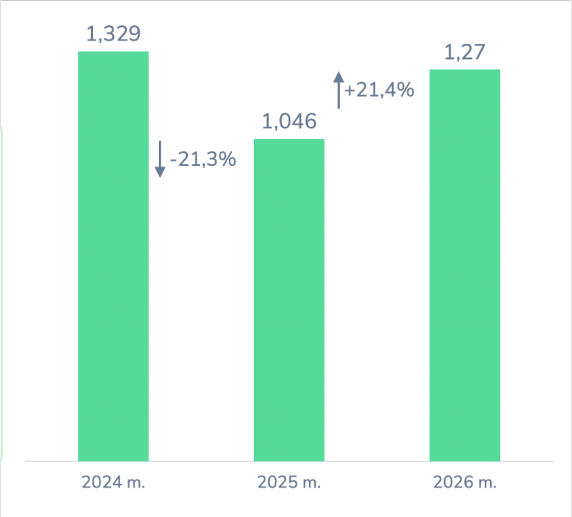
The price of gas transmission services in 2025-2026 and in recent years accounts for only a few percent of the final (consumer) price of natural gas.

Litgrid's regulated activity prices

Litgrid

NERC-approved upper limit for Litgrid's electricity transmission service price, ct/kWh

The 21.3% decrease in 2025 was determined by the forecasted increase in electricity transmission volumes, lower costs for technological needs, the use of congestion management revenues and one-off adjustments for previous periods.



The 21.4% increase in 2026 was determined by the forecasted decrease in the volume of electricity transmitted, the increase in operating and capital costs due to investments made, inflation and the discontinuation of adjustments that are no longer relevant, which reduced the price in 2025.

For more detailed information on Litgrid's service prices, see the Litgrid website.

The average undifferentiated price of Litgrid's electricity transmission service in 2025 was 1.046 ct/kWh. Compared to the 2024 limit (1.329 ct/kWh), it was 21.3% lower and corresponded to the adjusted price cap approved by NERC on 1 October 2024. This change in 2025 was mainly due to a decrease in technological costs (mainly due to a 12% decrease in the purchase price of electricity due to falling wholesale electricity prices on the market), the use of accumulated congestion management revenues to amortise the change in transmission prices in 2025 and the adjustment for the return on investment mismatch for the first half of 2024 (factors reducing the price cap). The forecast increase of approximately 5.8% in the amount of electricity transmitted to Lithuanian consumers in 2025 (compared to the forecast for 2024) also had an impact (a factor reducing the price cap).

In 2025, the undifferentiated component (price) of additional services approved by NERC in October 2024 was applied to the transmission service price for 2025 – 1.6816 ct/kWh. The price in 2025, compared to the price in 2024 (1.3091 ct/kWh), increased by about 28%. The main reasons for the significant price change (compared to 2024) are the following: the 2025 price reflects the actual costs incurred by Litgrid in 2023 for the provision of such services, which were not recovered; the costs of the isolated operation test of the Baltic electricity systems (to ensure the smooth synchronisation of the Baltic electricity systems with the CEN on 9 February 2025), and the deregulation of the prices of additional services purchased by Litgrid. Following the synchronisation of the Baltic EES with the continental European networks (CEN) in February 2025 and the launch of the joint Baltic balancing capacity market, the prices of frequency restoration reserves – automatic frequency restoration reserve (aFRR), manual frequency restoration reserve (mFRR) and frequency containment reserve (FCR) – have not been and are not regulated, and the volumes of such ancillary services purchased by Litgrid have increased (compared to 2024 and previous years).

On 2 October 2025, NERC approved the adjusted upper limit for Litgrid's electricity transmission service price for 2026 – 1.270 ct/kWh. This is 21.4% higher than the 2025 cap (1.046 ct/kWh). This change was mainly due to the forecast 6.3% decrease in the amount of electricity transmitted to Lithuanian consumers in 2026 (compared to the forecast for 2025), an increase in operating and capital costs due to investments made, inflation, and the one-off adjustment for the mismatch between the return on investment and the upper price limit for 2026, which reduced the upper price limit for 2025 (factors increasing the upper price limit).

On 17 October 2025, NERC approved the undifferentiated component (price) of additional services for 2026 at 1.2653 ct/kWh. Compared to the 2025 price (1.6816 ct/kWh), it is 24.8% lower. The main reasons for the change in price are the following factors taken into account in the 2026 price the higher revenues actually received by Litgrid in 2024 and the lower costs incurred for the provision of such services (compared to the indicators set by NERC for Litgrid for 2024), the change in the prices of additional services purchased by Litgrid, and the difference between the projected and actual costs incurred by Litgrid to be reimbursed by AB Ignitis gamyba (as AB Ignitis gamyba will no longer provide secondary emergency active power reserve services, and in accordance with the methodology applied by NERC and the NERC decision, the discrepancies between the forecasted and actual costs incurred during the reporting period are assessed, obliging AB Ignitis gamyba to reimburse the discrepancy to Litgrid).

The prices of electricity transmission services (including the component for additional services) accounted for about one-sixth of the final price (paid by consumers) for electricity in 2025 (as in 2024). In 2026, electricity transmission service prices will account for about one-seventh of the final price of electricity.

Baltpool

Baltpool's regulated and licensed activities

In 2025 NERC, harmonising regulatory practices across different sectors, assessed the allowable rate of return on investment as the weighted average cost of capital (WACC) for the first time in Baltpool and for the first time in the biofuel exchange trading segment in Lithuania and in the heat auction segmen (previously, the market EBIT margin of costs was applied).

In 2025, some of the service fees applied by Baltpool were updated. The following Baltpool service fees (excluding VAT) were in force and applied in 2025:

Until 30 September 2025, the fee applied to transactions on the biofuel exchange for biofuel supplied in Lithuania was EUR 41.27/1000 MWh (applied to both parties to the transaction concluded on the exchange: both the buyer and the seller). The latter rate, set by the NERC decision of 31 August 2020 and applied from 1 September 2020, corresponded to the rate of EUR 0.48/tne applied until 1 September 2020. In other words, from 1 September 2020, the application of the rate set by the NERC decision of 18 October 2019 was extended, converting it from tonnes of oil equivalent (toe) to other units of energy value – megawatt hours (MWh). On 1 October 2025, the updated trading rate on the biofuel exchange, agreed by the NERC resolution of 28 August 2025 (taking into account the need to adjust this rate), came into force for transactions under which biofuel is supplied in Lithuania – EUR 59.14/1000 MWh variable trading fee (applied to biofuel exchange participants based on the volume of transactions concluded on the biofuel exchange) and other related fees came into force:

- EUR 300.0/year fixed trading fee applicable to newly registered biofuel exchange participants, regardless of the volume of transactions concluded on the exchange;
- a fixed trading fee of EUR 100.0 per year, applicable to registered biofuel exchange participants, regardless of the volume of transactions concluded on the exchange.

In 2025, the trading fee set in 2018 continued to apply – 0.12% of the value of timber purchase and sale transactions concluded in the EMPS (Electronic Timber Trading System) (the fee applies to both parties to a transaction concluded on the EMPS: both buyers and sellers).

Until 30 April 2025, the fee set on 1 December 2021 for trading in the heat auction segment was applied – EUR 15.65/1000 MWh for the amount of heat specified in the order to sell (including production). From 1 May 2025, the updated NERC rate, agreed by the resolution of 24 April 2025 (taking into account the need to adjust this rate) in the heat trading auction segment is EUR 29.51/1000 MWh for the amount of heat specified in the order submitted for sale (including production). It should also be noted that, together with this rate, NERC set a permissible rate of return on investment of 9.99% for Baltpool for the first time and for this service for the first time, as the weighted average cost of capital (WACC, %) from costs (previously, the market EBIT margin on costs was applied). This rate of return set by NERC is higher than that normally applied to regulated energy infrastructure companies due to the higher business risk associated with Baltpool's activities compared to the business risk experienced by

energy infrastructure companies. The aforementioned biofuel exchange trading service has been set at a 9.80% rate of return on investment from 1 October 2025 (for transactions under which biofuel is supplied in Lithuania) (slightly lower than in the heat auction segment due to the latest financial market data assessment, with NERC setting the rate of return on investment for the biofuel exchange trading service when biofuel is supplied in Lithuania).

Participants in the fuel from renewable energy sources (DAEI) accounting system were subject to a rate of EUR 0.017/1000 DAEI accounting units in 2025, applicable from 15 January 2022. On 1 February 2026, the updated NERC came into force. On 22 January 2026, the rate was adjusted by resolution (taking into account the need to adjust this rate) The rate applicable to participants in the DAEI accounting system is EUR 0.02442/1000 DAEI accounting units.

Baltpool unregulated activities

In 2025, the rate applicable to trading on the biofuel exchange when biofuel is supplied outside Lithuania was 0.5% of the transaction value (applicable to both parties to the transaction concluded on the exchange: both the buyer and the seller).

The following fees, set on 10 July 2023, also applied to additional services provided by Baltpool in 2025: fee for registering biofuel purchase and sale transactions concluded outside the exchange on the exchange – 0.5% of the actual value of the biofuel supplied under such a transaction (applies only to one party to the transaction – buyers), and fee for the use of the electronic exchange trading system for informational purposes – EUR 2,500 per calendar year.

From 1 June 2025, a fee of EUR 0.01 per MWh of biofuel delivered will apply for participation in the Lithuanian national biofuel sustainability RED BP scheme, which started on 2 May 2023. The RED BP biofuel sustainability scheme allows participants to meet the European Union's RED sustainability and greenhouse gas (GHG) reduction criteria while avoiding a complex administrative burden.

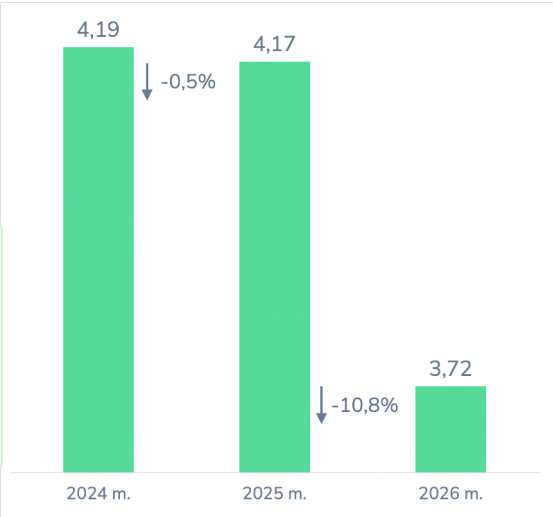
Detailed information on these and other services provided by Baltpool, including the new RED BP services offered from June 2025 – priority verification of raw material declarations and BALTPOOL API integration services (enabling automated retrieval of transaction, delivery, quality report and waybill information and automated creation of quality reports and waybills) is available on the Baltpool website.

Energy cells regulated activity prices

ENERGY CELLS

NERC approved the upper limit for Energy Cells' isolated working reserve service prices, Eur/MW/hour.

-0.5% in 2025, due to slightly lower operating costs and lower capital costs due to the depreciation of storage facilities in regulatory accounting.



-10.8% in 2026, mainly due to subsidy income for 2024, which has been eliminated from the allowable income level for 2026.

The activities of Energy Cells, the designated energy storage system operator (SSO), during the designation period until the completion of the project to synchronise the Lithuanian electricity system with the continental European electricity networks, including service prices, are regulated by the state.

In 2025, the price of Energy Cells' isolated working reserve service was EUR 4.17/MW/hour (excluding VAT). This price was about 0.5% lower than the price set for 2024 (EUR 4.19/MW/hour (excluding VAT)). The price applied in 2025 corresponded to the upper limit of the price of Energy Cells' isolated working reserve service approved by NERC in November 2024 – EUR 4.17/MW/hour (excluding VAT), which was slightly reduced due to the slightly lower permissible income level set for Energy Cells by NERC for 2025 (EUR 7.31/MW/hour (excluding VAT)). (excluding VAT), which was slightly reduced due to the slightly lower permissible income level (EUR 7.31 million) set by NERC for Energy cells for 2025 than for 2024 (EUR 7.37 million). The decrease in the permissible income level was influenced by the slightly lower operating costs and lower capital costs set by NERC for

Energy Cells due to the depreciation of storage facilities managed by SSO in regulatory accounting, which directly determines the value of Energy Cells' regulated assets (RAB) and the permissible income level.

From 1 January 2026, a price of EUR 3.72/MW/hour (excluding VAT) for isolated working reserve services, which corresponds to the adjusted upper limit of the price of Energy cells' isolated working reserve services approved by NERC in November 2025 – EUR 3.72/MW/hour (excluding VAT). This price is approximately 10.8% lower than the price set for 2025. The price for 2026 has been reduced due to the 10.8% lower permissible income level (EUR 6.52 million) set by NERC for Energy cells for 2026 compared to 2025 (EUR 7.31 million). The decrease in the permitted income level and price was mainly influenced by Energy Cells' EUR 0.74 million higher income in 2024 from the provision of isolated working reserve services (compared to the NERC 2024 KVR) due to the recognition of subsidies, which were eliminated from the permissible income level for 2026.

The prices of the isolated working reserve service (price forecasts) for 2023-2026 were and are included in the NERC for the corresponding years 2023-2026 approved by Litgrid as an additional service purchase component to the transmission service price.

On 17 January 2025, following the entry into force of the amendments to the Law on Electricity of the Republic of Lithuania (hereinafter – EEĮ) and the Law on the Interconnection of the Electricity System of the Republic of Lithuania with the Continental European Electricity Networks for Synchronous Operation, adopted by the Seimas of the Republic of Lithuania on 19 December 2024 on 19 December 2024, conditions were created for Litgrid to purchase, for a limited period after synchronisation with the continental European networks, from 10 February 2025, part of the balancing services necessary for the management of the electricity transmission system from the energy storage system operator Energy Cells. On 30 January 2025, the European Commission adopted a decision allowing Energy Cells to provide balancing services for a limited period, and on 30 January 2025, the NERC adopted a decision on the coordination of the isolated working reserve purchase and sale agreement (its terms and conditions) between Litgrid and Energy Cells. These decisions gave Litgrid the right to temporarily purchase part of the balancing services from Energy Cells until the market is able to absorb a sufficient supply of balancing services. The agreement provided that Energy Cells would provide 40 MW of aFRR balancing capacity in 2025 and would also participate in the balancing energy (aFRR) market, where its bid would be submitted at the end of the auction queue (based on a specific algorithm approved by NERC) – Energy Cells' facilities would only be activated when other market participants are unable to provide these services. Accordingly, from 10 February 2025 (following the actual technical synchronisation of the Baltic countries' electricity systems with the CEN on 9 February 2025, to which Energy Cells contributed significantly, 2025-02-08/09 by successfully participating in the isolated operation test of the Baltic electricity systems with BEKS), until the end of 2025 Energy Cells successfully provided up to 40 MW of balancing services to the electricity transmission system operator Litgrid under the isolated operation reserve purchase and sale agreement signed between Energy Cells and Litgrid on 7 February 2025.

Litgrid, having assessed that there are not enough participants in the market capable of providing balancing services properly, on time and at a reasonable price, at the end of 2025, initiated the extension of the purchase of balancing services with a capacity of up to 40 MW from SSO until 31 December 2026. Accordingly, Annex 5 to the isolated working reserve purchase and sale agreement (on the principles and conditions for the use of Energy Cells facilities for the provision of balancing services) was amended on 29 December 2025 by a resolution of NERC and the relevant amendments to Annex 5 of the agreement were signed between SSO and Litgrid on 29 December 2025. By a decision of the NERC and the relevant amendments to Annex 5 to the agreement signed between SSO and Litgrid on 29 December 2025. According to NERC, the amendments to the agreement will allow for a more effective assessment of the supply of suppliers in the balancing market – Annex 5 provides for three mandatory market assessments to be carried out by Litgrid in 2026, which, if they show that there is sufficient supply in the Baltic balancing capacity market, balancing services from SSO will be discontinued. It is also provided that NERC has the right to perform the same market assessment at any time. Taking into account the results of the assessment of the sufficiency of supply in the Baltic balancing capacity market, the scope of SSO aFRR services (which, according to Annex 5, will reach up to 40 MW in 2026) may be gradually reduced in 2026 until these services are completely discontinued. The updated price calculation formula will also ensure more competitive service prices, as the previously applicable single price limit for the entire year will now be calculated on a monthly basis, taking into account the previous month's local aFRR price data for the Baltic countries.

Accordingly, the provision of balancing services in accordance with the aforementioned amendments to Annex 5 of the isolated working reserve purchase and sale agreement will continue from the beginning of 2026 and will continue until the end of 2026 or until there are enough participants in the market who can provide such services properly, on time and at a reasonable price.

In accordance with the provisions of the aforementioned agreement, the portion of Energy Cells' balancing service revenue that exceeds Energy Cells' balancing service costs (including the permissible return on investment, calculated the principles set out in the description of the Energy Cells regulatory accounting system, as agreed with NERC), is returned to Litgrid. In other words, the general principles applicable to regulated energy activities (companies) apply to Energy Cells' balancing services.

2.3. Key Regulatory and Other Legal Changes

Legislative initiatives at national and EU level, changes in energy and/or energy market regulation, and strategic planning documents that have a significant impact on our activities and strategic directions in 2024:

2025 JANUARY

On 9 January 2025, NERC approved the standard terms and conditions of the electricity imbalance settlement agreement, which will come into force on 1 January 2026. The terms and conditions were approved in line with EU regulations and the growing need for balancing capacity. The changes are intended to encourage better quality planning of electricity production and consumption by balance responsible parties (BRPs). Under the new procedure, the reserve contribution component of BRPs will be transferred to the costs of acquiring balancing capacity, depending on the quality of planning. The costs will be calculated according to the following principle: 50% of the costs will be allocated according to the imbalance, and the remaining 50% according to the BRP consumption portfolio. This model will encourage BRPs to plan more efficiently and reduce imbalances. The transfer of balancing capacity costs to BRPs will be carried out gradually: 30% from 1 January 2026, 60% from 1 January 2027, and 100% from 1 January 2028.

On 30 January 2025, NERC adopted other decisions (in addition to those already mentioned in section 2.2 of this report under "Energy cells") important decisions for synchronisation with the CEN – approved the proposal of the Baltic (Estonia, Latvia, Poland, Lithuania, Finland, Sweden) transmission system operators to change the methodology for calculating the day-ahead and intraday capacity (the new capacity calculation methodology came into force on 10 February 2025), agreed on the start date of the Baltic balancing capacity market – 5 February 2025 (more information about the balancing capacity market is available on the Litgrid website).

02 FEBRUARY

On 26 February 2025, the European Commission (EC) presented an Affordable Energy Action Plan. It sets out short-term measures to reduce energy costs, complete the Energy Union, attract investment and better prepare for potential energy crises. According to the EC, this plan, which is one of the key components of the clean industry agenda, will help not only households facing high energy bills, but also industrial sectors facing high production costs. It is estimated that EUR 45 billion will be saved in 2025. This amount will gradually increase, reaching EUR 130 billion per year by 2030 and EUR 260 billion by 2040. It is expected that this action plan will allow the benefits of renewable energy to be realised earlier, save energy, increase the integration of energy markets and improve the functioning of the internal energy market. It is expected that this action plan will enable earlier access to the benefits of RES energy, save energy, increase the integration of energy markets, improve interconnections, reduce energy production costs (by shortening the time required to issue permits for RES energy and infrastructure), reduce dependence on imported fossil fuels, further promote the use of long-term supply contracts, enable support for the wider deployment of energy efficiency solutions, enable more efficient electricity network tariffs, reducing electricity supply costs, avoiding price peaks, ensuring fair competition in gas markets and other benefits.

03 MARCH

On 4 March 2025, Litgrid joined PICASSO, the European automatic frequency restoration reserve (aFRR) balancing energy exchange platform. With the other Baltic electricity transmission system operators – Latvia's Augstsprieguma tīkls and Estonia's Elering – joining on 10 and 9 April 2025, respectively, from 10 April 2025 aFRR balancing energy will be ordered on the common European balancing market in the Baltic trading areas. The PICASSO platform allows the exchange of available network balancing energy by matching offers with demand between different trading areas. Local market participants submit balancing energy offers to the relevant electricity transmission system operators.

On 12 March 2025, the Government of the Republic of Lithuania adopted Resolution No. 151 approving the Implementation Plan for the Provisions of the Nineteenth Programme of the Government of the Republic of Lithuania, which (in Chapter IX) sets out the main priorities and actions for implementing those priorities in the energy sector. This had an impact on the activities of the EPSO-G group not only at the national level, but also at the regional level.

04 APRIL

From 15 April 2025 (after joining PICASSO), Litgrid, together with other Baltic electricity transmission system operators – Augstsprieguma tīkls in Latvia and Elering in Estonia – will purchase aFRR balancing capacity services on the joint Baltic balancing capacity market.

06 JUNE

At the beginning of June, the European Commission published a communication on guidelines for *anticipatory* investments to create future-proof electricity networks. According to the guidelines, a number of requirements are also related to electricity transmission network development plans and transmission service pricing. For example, national regulatory authorities should ensure adequate regulatory review of network development plans to facilitate the assessment and inclusion of anticipatory investments, ensuring that these plans are based on appropriate scenarios and that there is a clear link between network development plans and investment approvals or further investment plans, and network tariffs should reflect the cost structure in the short term (e.g. network losses and congestion costs) and in the long term, including planned investment costs for infrastructure development. The

inclusion of these recommendations in the national legal framework of Lithuania and (where applicable) the incorporation of relevant provisions in other sectors (e.g. hydrogen) would undoubtedly accelerate and facilitate the attraction of financing for the implementation of energy infrastructure investments.

08 AUGUST

In early August 2025, NERC published (and revised in mid-August 2025) data on the rates of return on investment for Amber Grid, Baltpool, Energy Cells and Litgrid in 2026. After assessing the provisions of the NERC Methodology for Determining the Rate of Return on Investment and the situation in the financial markets, NERC announced on its website that the applicable rate of return on investment (based on the regulated asset value, RAB) for Amber Grid, Energy Cells and Litgrid for 2026 will be 5.58%, 5.63% and 5.65%, respectively, taking into account the 17% income tax rate applicable from 1 January 2026, following the entry into force of amendments to the Income Tax Law of the Republic of Lithuania and the establishment of a standard income tax rate in Lithuania of 17%. The specific rate of return on investment in the case of Baltpool (applied to costs) is not published on the NERC website, but the data used to calculate this rate is published. The rate of return on investment set by NERC for Amber Grid, Baltpool, Energy Cells and Litgrid for 2025 was 5.68%, 9.99% and 9.80% respectively (depending on the services), 5.74% and 5.77%, taking into account the 16% income tax rate applicable from 1 January 2025. In accordance with the NERC Investment Return Rate Determination Methodology, the standard income tax rate applicable in Lithuania is used to calculate the investment return rate (therefore, an increase in the income tax rate has a positive effect on the pre-tax investment return rate, increasing it).

10 OCTOBER

From 1 October 2025, European electricity exchanges switched from a 60-minute to a 15-minute trading interval for electricity products on the day-ahead market (trading began on 30 September 2025, 1 October 2025 – first product delivery day).

1 October 2025 Litgrid invited market participants to consult on the concept prepared by Litgrid for increasing the interconnection capacity between Lithuania and Poland by 1 November 2025. It is expected that the implementation of the measures outlined in the concept will increase electricity trading opportunities. Higher electricity trading capacities will create better conditions for the development of renewable energy sources in Lithuania. Since the synchronisation of the Baltic countries, the transmission capacities allocated for electricity trading with Poland average around 170 MW for exports and 150 MW for imports. According to the concept: in 2026, electricity export capacity via the LitPol Link interconnector would reach up to 365 MW, while import capacity would reach up to 200 MW. Once Harmony Link becomes operational, electricity trading volumes between Lithuania and Poland would reach up to 1,200 MW in both import and export directions.

11 NOVEMBER

On 12 November 2025, together with Litgrid, we announced the Dinamo transmission tariff concept for public consultation (until 12 December 2025). The aim is to change the behaviour of large electricity consumers depending on the situation in the electricity market. This is an additional incentive to use electricity when it is more economically beneficial for consumers and the entire electricity transmission system. **The dynamic tariff – as a new option for electricity consumers connected to the transmission network to choose a dynamic electricity transmission tariff – will enable more efficient use of electricity networks, increase system flexibility, encourage consumption and contribute to the development of renewable energy sources.** On 18 November 2025, Litgrid organised a market and public presentation of the concept. The dynamic transmission tariff is expected to come into effect on 1 January 2027 (until then, preparatory work will continue in 2026, legal, contractual and methodological changes to Litgrid's pricing will be adopted, agreements will be reached with interested parties, and NERC, and technical solutions will be implemented).

On 21 November 2025, NERC approved the updated description of the procedure for using Litgrid transmission networks (hereinafter referred to as PETA) (previous updates in 2025 were made in spring 2025). The updated PETA takes into account the amendments to the EEĮ adopted by the Seimas of the Republic of Lithuania on 25 June 2025 (regulating, inter alia, the connection of consumers' energy facilities to the electricity transmission network, reservation of transmission capacity, conclusion of letters of intent, issuance of connection conditions, submission of performance guarantees, etc.) and the comments and proposals received from market participants and public administration entities during public consultations. Taking into account the changing regulatory environment, market needs and the concept of dynamic transmission tariffs, amendments to the above-mentioned description are also planned for 2026 (a public consultation was held until 13 February 2026).

12 DECEMBER

At the beginning of December 2025, a draft Hydrogen Law of the Republic of Lithuania was published for public consultation (until 19 January 2026), which will create the basis for the development of the hydrogen market and the expansion of the hydrogen sector in Lithuania, and is expected to will make a significant contribution to the development of the hydrogen sector in the region. The draft law was prepared by transposing the provisions of Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on natural gas and hydrogen from renewable sources, and taking into account the principles and practices of legal regulation established in the natural gas and electricity sectors. it is also the result of the inter-institutional working group

established by order of the Minister of Energy of the Republic of Lithuania on 28 May 2025 to create a legal regulatory environment for green hydrogen and its derivatives in Lithuania.

On 19 December 2025, NERC approved and updated the standard terms and conditions of Litgrid's imbalance settlement agreement following public consultations held in 2025.

In 2025, Litgrid conducted various other public consultations, which will continue in January 2026. (e.g. on the submission of the procedure for determining the scope of services provided by the transmission system operator (TSO), on the standard terms and conditions of the guarantee of origin service agreement, etc.). For more information, visit the Litgrid website. One of the most recent consultations, which ran until 23 January 2026, concerned the update of the standard terms and conditions of the electricity transmission service agreement, taking into account the aforementioned amendments to the PETA approved by NERC on 21 November 2025 and the amendments to the EEĮ adopted on 16 December 2025, which stipulate that consumers implementing large-scale projects and who have committed to the TSO not to reduce the permissible power for 10 years from the connection of the consumer's electrical equipment to the transmission networks and to consume no less than the amount of electricity specified in the service contract for the connection of electrical equipment to the transmission networks, shall pay 10% of the costs incurred by the TSO for connecting the consumer's electrical equipment to the transmission networks.

On 10 December 2025, the European Commission proposed the European Grids Package and the Energy Highways initiative, which will enable the efficient supply of energy in all Member States by integrating cheaper clean energy and accelerating electrification, helping to reduce energy prices and support affordable living for all Europeans. The package of proposals will ensure a secure and reliable energy supply for Europe, moving away from energy imports from Russia and thus achieving energy independence. The network package includes, among other things, proposals for a revision of Regulation (EU) 2022/869 of the European Parliament and of the Council on guidelines for trans-European energy infrastructure (the so-called TEN-E Regulation) It also presents a new approach to energy infrastructure, opening up a Europe-wide perspective on infrastructure planning, while speeding up permit procedures and ensuring a fairer sharing of costs for cross-border projects. The new approach will enable us to make the most of our existing energy infrastructure while accelerating the development of networks and other physical energy infrastructure across the EU.

Key regulatory and other legal developments since the end of the reporting period:

2026
JANUARY

In mid-January 2026, NERC published a document for public consultation (until 17 February 2026) on the multipliers applicable to the price structure of services provided by Amber Grid, the Lithuanian natural gas transmission system operator, for the 2027 tariff period, seasonal coefficients and discounts applicable to the price structure of services provided by Amber Grid, the Lithuanian natural gas transmission system operator, for the 2027 tariff period, in accordance with Article 28(1) of Commission Regulation (EU) No 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for natural gas (TAR NC). The public consultation document is available on the NERC website.

On 8 January 2026 At its meeting, NERC approved amendments to the biofuel exchange regulations of the energy resource exchange operator Baltpool, which adjusted the categories of market participants in order to define clearer rules and increase the reliability of biofuel supply, thereby promoting the sustainability of the biofuel market. The amendments to the Energy Resources Exchange Regulations came into force on 1 February 2026.

On 26 January 2026, Regulation (EU) 2026/261 of the European Parliament and of the Council on the phasing out of natural gas imports from Russia and preparing for the phasing out of Russian oil imports and improving the monitoring of potential energy dependency was adopted. The Regulation entered into force on 3 February 2026 (i.e. the day after its publication in the Official Journal of the EU on 2 February 2026). The ban on imports of natural gas (pipeline and LNG) from Russia applies from 18 March 2026. There is a transition period for existing short- and long-term contracts: the total ban on LNG imports will apply from 1 January 2027 and the ban on pipeline gas imports from 1 November 2027. This gradual approach will minimise the impact on prices and markets. The Regulation also provides that a Member State receiving imports of oil originating in or exported directly or indirectly from the Russian Federation in order to phase out all imports of oil originating in or exported directly or indirectly by the Russian Federation by the end of 2027, will have to prepare a plan describing the measures, stages and possible obstacles to diversifying oil supplies. The Commission will assist Member States in cooperating on the implementation of their national oil supply diversification plans.

2.4. Significant events during the reporting period

01
JANUARY

On 13 January, the Lithuanian Navy and Lithuanian electricity transmission operator Litgrid signed a long-term cooperation agreement. The two organisations will work more closely together to ensure the security of the NordBalt high-voltage direct current cable to Sweden.

On 13 January, Amber Grid announced a public selection process for a new CEO.

On 17 January, in accordance with the NERC obligation to check the safety of the GIPL gas pipeline connection, experts conducted an inspection and determined and confirmed that the GIPL gas pipeline is safe to operate. The GIPL safety check was carried out in November-December 2024 by AS Inspecta Latvia, which won the public procurement tender and did not participate in the construction of GIPL.

On 31 January, Litgrid switched on the last sections of the 330 kV Darbėnai–Bitėnai power transmission line. After completing all construction work on the line, one of the two circuits was switched on and power transmission between Latvia and Lithuania via the Gruobinia–Klaipėda line was restored.

On 31 January, at an extraordinary general meeting of shareholders of Rheinmetall Defence Lietuva, UAB, it was decided to increase the company's authorised capital, stipulating that UAB EPSO-G Invest has the right to acquire 36,500,000 shares in the company with a total value of EUR 36,500,000.

02 FEBRUARY

On 4 February, Litgrid connected an 80 MW wind farm in the Kelmė district, developed by renewable energy company Enefit Green, to the national transmission grid.

On 5 February, the Baltic balancing capacity market began operating.

On 8 February, the Baltic electricity systems were successfully disconnected from the Russian electricity networks.

On 9 February, the Baltic electricity systems were successfully synchronised with continental Europe.

On 10 February, Energy Cells began providing balancing services to Litgrid.

On 25 February, Litgrid built a new transformer substation and connected a VMG Group company.

On 26 February, Litgrid completed two synchronisation programme projects: the implementation of a frequency stability assessment system and the construction of the 330 kV Darbėnai–Bitėnai power line.

03 MARCH

On 4 March, EPSO-G announced the selection of a board member nominated by the shareholder of the Group's company Tetas.

On 4 March, the institution exercising shareholder rights – the Ministry of Energy of the Republic of Lithuania – launched a selection procedure for the position of a member of the board of EPSO-G nominated by the shareholder – a civil servant.

On 4 March, Litgrid joined the European balancing energy exchange platform PICASSO.

On 18 March, Litgrid commissioned a new 330 kV electricity transmission line between Kruonis HAE and Bitėnai.

On 20 March, Amber Grid opened a new system control centre.

On 26 March, the Pabradė-Visaginas section of the Amber Grid gas pipeline was temporarily closed due to an incident at the Pabradė military training ground.

On 27 March, Litgrid completed its eleventh synchronisation project – the reconstruction of the Neris substation.

On 28 March, Litgrid installed sound barriers at the Alytus transformer substation.

04 APRIL

On 3 April, solar and wind power plants in Lithuania exceeded the symbolic 4 GW capacity threshold, according to Litgrid data.

On 4 April, Litgrid provisionally reserved 0.8 GW of capacity for solar and wind power plants and storage facilities for a period of three months.

On 4 April, the board of Amber Grid appointed Nemunas Biknius as the company's CEO for a new term.

On 15 April, the EPSO-G shareholders' meeting approved the EPSO-G 2024 financial statements and the distribution of profits for 2024.

On 16 April, Litgrid connected a solar power park developed by the Danish company Nordic Solar in the Švenčionys district to the grid, with a permitted generating capacity of 60 MW and an installed capacity of 80 MW.

On 22 April, Amber Grid sent humanitarian aid to Ukrainian emergency services – 55 cars and 4 generators.

On 23 April, Litgrid began designing the Harmony Link land connection.

On 29 April, Dovilė Kavaliauskienė, Head of the Legal and Personnel Group at the Ministry of Energy of the Republic of Lithuania, was elected to the EPSO-G Board.

05 MAY

On 13 May, eight transmission system operators (TSOs) from the Baltic Sea region publish a joint expert document on closer cross-border cooperation in the field of offshore wind energy and related electricity transmission network infrastructure.

On 15 May, Ramūnas Papinigis, head of the energy infrastructure development and maintenance company Tetas, stepped down from his position. The company's board appointed Darius Slažinskas, director of the finance department, as interim head.

On 22 May, Tetas announced a public selection process for a new CEO.

On 22 May, Litgrid, a member of the EPSO-G Group, together with its partners Latvijos Augstsprieguma tīkls AS and Germany's 50Hertz Transmission GmbH, submitted a joint application for the Baltic Hub hybrid offshore electricity interconnection project. The aim is to include it in ENTSO-E's ten-year electricity network development plan for 2026.

On 29 May, NERC approved the transmission service prices of Amber Grid, the Lithuanian gas transmission system operator, for 2026, according to which the average price of gas transmission services for Lithuanian consumers will be 1.52 euros per megawatt hour (EUR/MWh). This is 5% less than the gas transmission price valid for 2025, which is EUR 1.60/MWh.

On 30 May, Amber Grid announced the results of a survey of hydrogen market participants, which forecasts the planned scope of hydrogen development by market participants.

06 JUNE

On 3 June, EPSO-G's sole shareholder appointed Dalia Andrulionienė as a member of the board of Tetas. The board member also works as the head of business development for the EPSO-G group.

On 4 June, the EPSO-G group published its audited sustainability performance report for 2024.

On 13 June, Litgrid provisionally reserved 1.8 GW of capacity for solar and wind power plants and storage facilities for a period of three months.

On 16 June, Litgrid completed an important synchronisation project – the 330 kV power transmission line between Kruonis HAE and Bitėnai.

On 19 June, Litgrid signed a seven-year contract for the purchase of renewable energy, allowing it to offset technological losses with green energy. Electricity will be supplied from the beginning of 2026, with up to 160,000 MWh of electricity to be purchased per year.

On 20 June, the EPSO-G Group became a member of the Lithuanian Diversity Charter Association.

On 23 June, the Ministry of Energy of the Republic of Lithuania approved the updated letter of expectations for the new energy group EPSO-G. The key priorities are enabling the green energy transition, international interconnections, strengthening resilience and security, and ensuring the flexibility of the electricity system.

On 27 June, following a scheduled credit rating review, the international rating agency Moody's Ratings once again confirmed the Baa1 credit rating with a stable outlook for the EPSO-G group.

07 JULY

On 2 July, a feasibility study for a hydrogen corridor in the Nordic and Baltic countries received a maximum of EUR 6.8 million in funding. The Group's company Amber Grid is participating in the project.

On 11 July, a new participant joined the electricity balancing market organised by Litgrid – the solar park developed by European Energy in Meiluškiai (Anykščiai district). This is the first solar park in the country to contribute to ensuring the balance between electricity consumption and production in the Lithuanian electricity system.

On 31 July, Amber Grid invested EUR 3.2 million in the modernisation of gas shut-off devices in six municipalities.

08 AUGUST

On 1 August, EPSO-G and the Group's company Amber Grid signed an agreement under which the previously granted 12-month short-term loan of EUR 50 million will be replaced by a long-term loan with a maturity of 5 years. The entire long-term loan will be repaid at the end of the term.

On 12 August, Litgrid completed construction work on the 14th synchronisation project – the 330 kV Vilnius–Neris power transmission line.

On 13 August, Amber Grid announced a EUR 2 million investment in the modernisation of gas infrastructure in three municipalities.

09 SEPTEMBER

On 3 September, EPSO-G and Swedbank signed an agreement in Lithuania for a long-term loan of EUR 73 million. These funds will be used for EPSO-G Invest's investments in the artillery ammunition factory project.

On 8 September, the board of Tetas appointed Ovidijus Martinonis as the company's CEO for a five-year term.

On 9 September, with the current CEO's five-year term coming to an end, EPSO-G group company Energy Cells announced a public selection process for a new CEO.

On 10 September, Amber Grid and MT Group signed a EUR 30.9 million contract for the installation of the first electric compressor.

On 12 September, with the current CEO's five-year term coming to an end, Litgrid, a company belonging to the EPSO-G Group, announced a public selection process for a new CEO.

On 18 September, Litgrid dismantled all cables connecting the Lithuanian and Kaliningrad electricity systems.

On 23 September, Litgrid completed the construction and commissioned a new 330 kV Mūša substation in the Joniškis district. Newly formed electricity transmission lines were also commissioned: the 330 kV Viskali–Mūša and Mūša–Šiauliai lines are used for transit with Latvia.

On 24 September, Litgrid connected wind farms with a total installed capacity of 381 MW in the Pagėgiai and Kelmė districts to the national transmission network. The total installed capacity of all wind and solar power plants in Lithuania exceeded 5 GW.

On 30 September, Litgrid completed all construction works for the 14th synchronisation project – the 330 kV Vilnius–Neris power transmission line.

10 OCTOBER

On 2 October, Litgrid made preliminary reservations for 1.5 GW of capacity for wind farms and storage facilities for the period from June to September.

On 6 October, Litgrid, together with the Lithuanian Armed Forces, tested protective blocks designed to ensure the security of network facilities.

On 7 October, a new participant joined the electricity balancing market organised by Litgrid and submitted its first bids – Green Genius, a company with a 1 MW capacity and 2 MWh storage capacity energy storage battery system in the Alytus district.

On 13 October, Amber Grid and EEX completed the sale of GET Baltic.

On 15 October, Litgrid delivered humanitarian aid to Ukraine – a fourth autotransformer. Its capacity would be sufficient for a quarter of a million people.

On 24 October, EPSO-G announced a selection process for the position of independent member of the Remuneration and Appointments Committee.

11 NOVEMBER

On 4 November, construction work officially began on a 155 mm artillery ammunition factory in Baisogala. The project is being implemented by Rheinmetall Defence Lietuva, in which EPSO-G Invest, a member of the EPSO-G Group, holds a stake.

On 5 November, the EPSO-G Board appointed Liudas Liutkevičius, an independent member of the EPSO-G Board, as a temporary independent member of the Remuneration and Appointments Committee.

On 17 November, Litgrid delivered another aid package to Ukraine, consisting of more than 7,000 glass insulators used in transmission network lines and substations.

At its meeting on 17 November, NERC approved the extension of the energy resource exchange operator licence issued to Baltpool UAB for a new period of seven years from 18 November 2025.

On 18 November, Amber Grid joined the unmanned aircraft traffic management system, strengthening the security of critical infrastructure and business resilience.

On 20 November, Litgrid completed one of its final synchronisation projects by connecting the Darbėnai substation.

On 25 November, Litgrid, together with the Latvian and Estonian electricity transmission system operators, became full members of the ENTSO-E Continental Europe Regional Group.

On 27 November, Litgrid completed an important synchronisation project – the 330 kV Mūša substation in the Joniškis district.

On 28 November, the continental European electricity transmission system operators confirmed the successful synchronisation of Estonia, Latvia and Lithuania with the continental European networks.

12 DECEMBER

On 10 December, the first commercial battery storage system in Lithuania was connected to the Litgrid transmission network.

On 11 December, EPSO-G Invest, the Ministry of National Defence of the Republic of Lithuania, KNDS Deutschland and Rheinmetall Landsysteme signed a memorandum on industrial cooperation related to the assembly and maintenance infrastructure for Leopard 2 A8 main battle tanks in Lithuania.

On 18 December, EPSO-G announced the selection of board members for the Group's company Energy Cells.

On 18 December, Litgrid connected the Žeimiai traction transformer substation for railway electrification to the transmission network.

On 20 December, Litgrid connected the largest commercial battery energy storage system with an installed capacity of 65 MW, a permissible generation capacity of 60 MW and a capacity of 130 MWh.

On 22 December, EPSO-G signed a tripartite debt transfer agreement with Amber Grid and *the Nordic* Investment Bank (NIB) and a new internal loan agreement (EUR 10.9 million) with Amber Grid.

On 29 December, Amber Grid signed a natural gas transportation agreement through the Republic of Lithuania to the Kaliningrad region.

On 29 December, NERC adopted a decision on the approval of Annex 5 (on the principles and conditions for the use of Energy Cells' facilities for the provision of balancing services) to the isolated working reserve purchase and sale agreement (its terms and conditions) between Litgrid and Energy Cells. BEKS facilities for the provision of balancing services) and on 29 December 2025, Energy Cells and Litgrid signed the relevant amendment to Annex 5, According to these amendments, the provision of balancing services from Energy Cells' facilities will continue until the end of 2026 or until there are enough market participants capable of providing such services properly, on time and at a reasonable price.

On 30 December, the Ministry of Energy of the Republic of Lithuania, exercising the rights and obligations of EPSO-G shareholders, adopted a decision on the selection of an audit company for UAB EPSO-G (KPMG Baltics, UAB, code 111494971) and the terms and conditions for the payment of audit services for 2026–2028.

2.5. Significant Events after the end of the Reporting Period

01 JANUARY

On 7 January, Rasa Kražauskienė took up the position of independent member of the EPSO-G Remuneration and Appointment Committee.

On 12 January, the board of Litgrid appointed Andrius Šemeškevičius as the company's CEO for a new five-year term.

On 14 January, the Board of Energy Cells appointed Andrius Gudzinskas as the company's CEO for a new five-year term.

Since the beginning of 2026, Energy Cells has continued to successfully provide balancing services to the transmission system operator with a capacity of up to 40 MW. Energy Cells will provide balancing services at the corresponding and/or gradually reduced capacity to the TSO until the end of 2026 or until there are enough participants in the market who can provide such services properly, on time and at a reasonable price.

On 28 January, the European Commission allocated EUR 113 million in funding from the Connecting Europe Facility (CEF) to critical infrastructure resilience projects implemented by the transmission system operators of Lithuania, Estonia, Latvia and Poland.

02 FEBRUARY

On 2 February, Litgrid connected a wind farm under construction in the Akmenė district to the grid, with an installed capacity of 105.84 MW and a permissible generation capacity of 100 MW.

On 9 February, the first National Energy Exam was held to mark Baltic Energy Independence Day.

On 18 February, the energy ministers of Lithuania, Latvia and Germany signed a declaration of intent on cooperation in developing cross-border electricity transmission system infrastructure. An agreement was reached on the assessment of the possibilities of the Baltic–German PowerLink hybrid electricity interconnection, which Litgrid plans to implement together with the Latvian and German electricity transmission system operators.

On 23 February, Amber Grid presented the Amber Gas Corridor project, which enables more efficient use of the region's infrastructure. This energy corridor can serve as an artery connecting the gas markets of Finland and the Baltic countries with Ukraine and Central Europe.

On 24 February, the 65 MW and 130 MWh energy storage battery system developed by the E energija group joined the electricity balancing market organised by Litgrid.

03 MARCH

On 3 March, Litgrid presented a new digital tool – the Transmission Network Capacity Map.

On March 5, Litgrid connected the solar power plant developed by Elektrum Lietuva in the Šalčininkai district to the grid. The plant has a permitted generating capacity of 50 MW and an installed capacity of 65 MW.

03

Business Strategy and Planned Investments



3.1. EPSO-G Group Strategy
3.2. Key Projects of the Group until 2035 and the Value they Create
3.3. Planned Investments by 2035
3.4. EPSO-G Goals in 2026
3.5. 10-year Network Development Plans
3.6. Process of Updating the Strategy and Other Planning Documents

3. Business Strategy and Planned Investments

3.1. EPSO-G Group Strategy

Vision, mission and purpose

In 2024, we updated the EPSO-G Group's strategy until 2035, which continues to guide us in our efforts to contribute to the development of a reliable and climate-neutral energy system, promote the growth of high value-added industries and facilitate the export of green energy and its products. Detailed information on the EPSO-G Group's new energy strategy for 2035 can be found on our website.



OUR PURPOSE

To power a green and secure future in a constantly changing world



OUR VISION

To enable the green transition while ensuring energy and national security interests



OUR MISSION

To accelerate energy independence and increase system reliability

Values

We base the implementation of our mission, the pursuit of our vision and all activities of the EPSO-G Group on fundamental human and professional values – openness, responsibility and reliability. These values are reflected in our daily behaviour and decisions.

Open

1. **I accept** people's differences, listen to others' opinions and express my own, and treat everyone with respect.
2. **I improve myself,** take an interest, learn and help others to grow.
3. **I share** my knowledge and experience, cooperate and seek consensus.

Responsible

1. **I respect** other people's time, efforts and results.
2. **I take** the initiative and act after assessing the impact on people and the environment.
3. **I do** what I commit to and more, and I work efficiently.

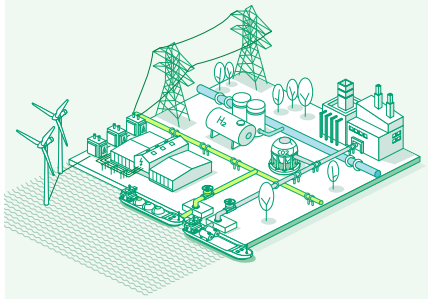
Reliable

1. **I act** professionally, work safely and follow best practices.
2. **I create** value for customers, colleagues and partners by proposing and implementing solutions.
3. **I care about** our customers and partners, colleagues and **society.**

Three key commitments and strategy structure

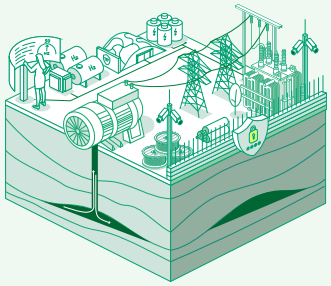
The EPSO-G Group's Strategy 2035 is based on three key commitments, which guide us in planning our future activities.

Driver of tomorrow's infrastructure



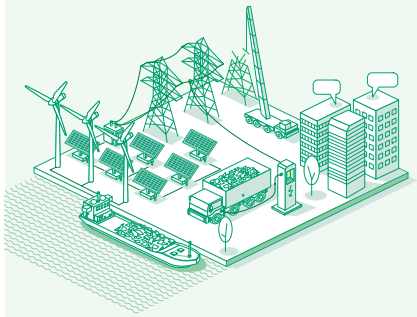
1 We consider the transformation of the energy sector to be **a fundamental change**. Our goal is **to create the infrastructure** that will form the basis of **a climate-neutral energy system**

Provider of security and reliability



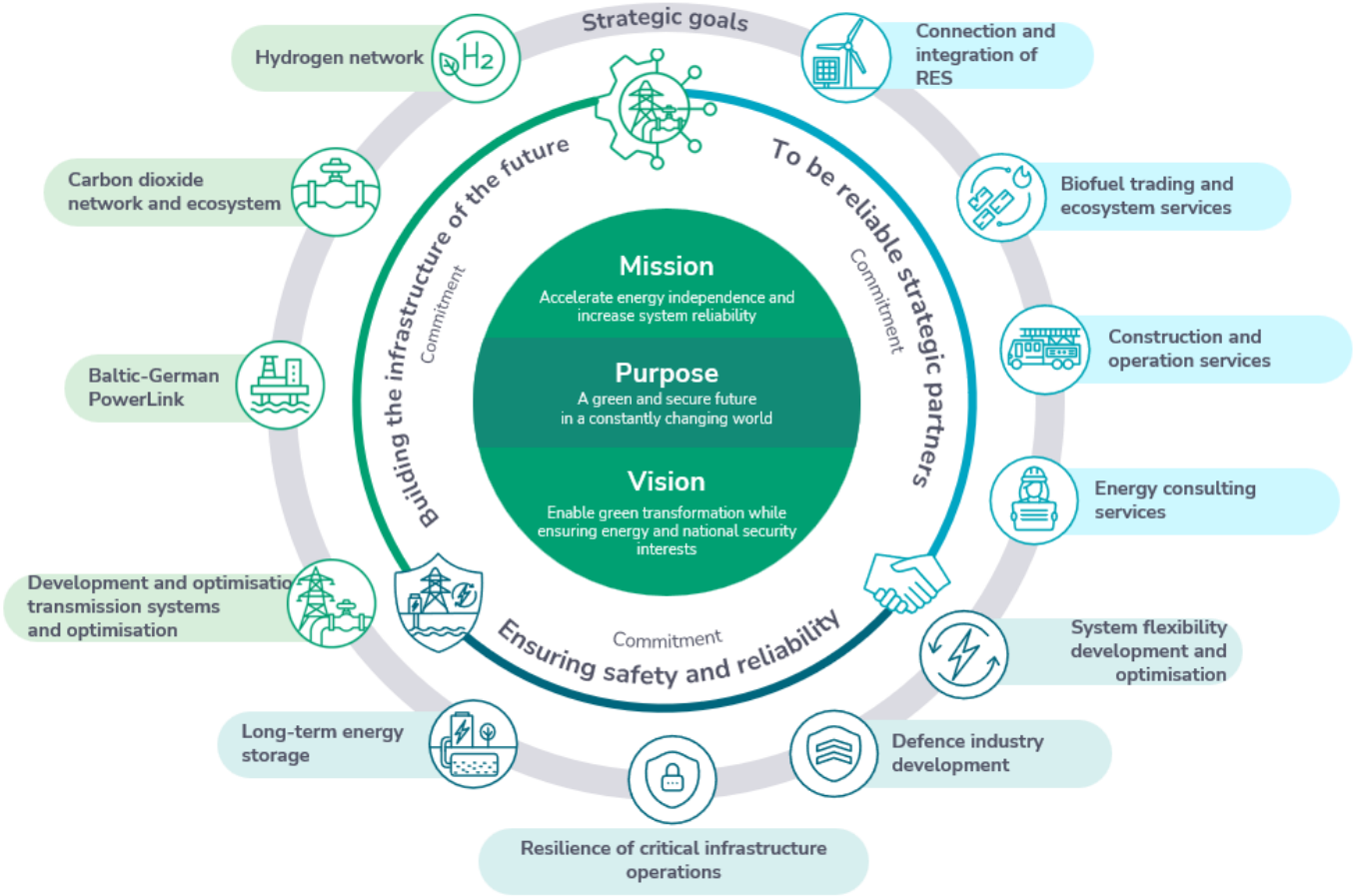
2 We aim **to enhance resilience and reliability** in the energy sector and beyond by strengthening **system flexibility and national security**. Our activities are inextricably linked to ensuring a reliable future

Reliable and skilled strategic partner



3 Energy **transition** requires **close** cooperation between representatives of various industries, investors and government institutions. Our goal is to be **reliable partners** in developing environmentally friendly infrastructure and markets

Our strategic commitments consist of the planned expansion of our current activities and the development of new ones. Their interrelationships are illustrated by the structure of the strategy.



An integral part of the strategy relates to sustainability commitments. The EPSO-G Group's strategy and plans are disclosed in section 8.1 "2 ETAS General Information" of the Sustainability Report in this document.

Value created by the group

The EPSO-G Group's strategy is based on creating value for key stakeholders. We define the value we create using strategic indicators (financial, sustainability and operational) grouped according to the benefits generated. These are EPSO-G's key objectives for 2035, which will guide our assessment of the success of the Group's strategy implementation.

EPSO-G's success by 2035 – value for stakeholders

1 Society
Strengthening in a sustainable economy

-70%
GHG emissions related to scopes 1 and 2 will be reduced, and by 2050, a net-zero GHG emissions balance will be achieved

2 Customers
enjoy smooth and high-quality services

AIT ≤ 0.93 min ENS ≤ 27.25 MWh
reliable electricity transmission maintained and rapid fault repair ensured

≥ 80 points
Global Customer Satisfaction Index (GCSI) – among the leading companies in the world

0 unplanned gas supply disruptions
Uninterrupted gas transmission maintained and rapid fault repair ensured

3 Our people
are empowered to act

Safe and positive working environment and culture
0 serious and fatal accidents involving our employees and/or contractors

≥ 70
High level of employee engagement maintained

"Best Employer" certificate

4 Shareholders and investors
discover new opportunities and reap the benefits

≥ EUR 260 million
Group adjusted EBITDA in 2035

90–110
CAPEX plan execution

High single digits
Group adjusted ROE

Financial position ≥ Baa2
Credit rating (or equivalent)

≤ 6 times
Annual net debt to adjusted EBITDA ratio

5 Partners
working closely together to achieve significant results

≥ 12 GW
of onshore renewable energy capacity connected to the grid

≥ 1.4 GW
installed offshore wind farm capacity

~1.4 TWh
gas from RES fed into the gas grid

≥ 3.5 GW
Developed interconnection capacities

≥ 26 TWh per year
Developed international green H_2 transmission capacity

≥ 1.6 Mt
Developed international CO_2 gas transport network capacity

≥ 12.2 GW
flexible resource capacity

3.2. Key EPSO-G Group Projects until 2035 and the Value they Create

In implementing the Group's strategy, we plan to develop a number of ambitious projects that will help us achieve our strategic goals.

Key projects implemented and planned:

Synchronisation projects for market integration

3

Total number of synchronous compensators installed in Lithuania

700 MW

Planned installed capacity of the Harmony Link interconnector



Synchronisation with the continental European networks took place on 9 February 2025, but we continued to implement projects to complete the synchronisation programme. These projects strengthened the integration of electricity markets and increased the stability of the electricity system. In 2025, the third synchronous compensator, Neris, was connected, the construction of the 330 kV Vilnius–Neris and Kruonis HAE–Bitėnai overhead lines was completed, the construction of the 330 kV Darbėnai and Mūša substations, and the reconstruction of the 330 kV Neris transformer substation.

We are implementing the Harmony Link land connection construction project, which will increase electricity trade volumes with Western Europe. In 2025, we began design work on the connection and are simultaneously carrying out spatial planning and environmental impact assessment procedures.

Hydrogen network

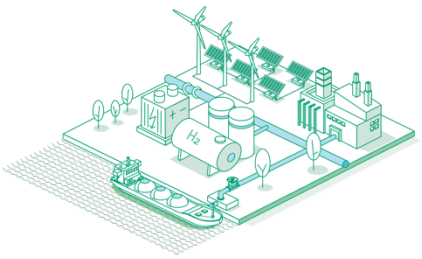
~500 km

Estimated total length of the hydrogen network in Lithuania

≥26 TWh/year

Developed international green H_2 capacity by 2035, reaching 100 TWh by 2050.

At EPSO-G, we are seeking to develop a transmission network for a new energy vector – hydrogen – in Lithuania and connect it with neighbouring EU countries. The Nordic-Baltic Hydrogen Corridor project has been recognised as a Project of Common Interest (PCI) by the EU. Our goal is to create a hydrogen corridor for transporting green hydrogen from Finland and the Baltic countries to the markets of Central and North-Western Europe, and to facilitate the development of a renewable hydrogen market in the Baltic Sea region. We also aim to accelerate the green transition by developing hydrogen infrastructure and enabling a competitive pan-European low-carbon hydrogen market. The creation of a Lithuanian hydrogen network is very important in order to facilitate hydrogen transit through the Nordic and Baltic corridors and the use of these resources for the country's needs. The network is planned to start operating after 2030.



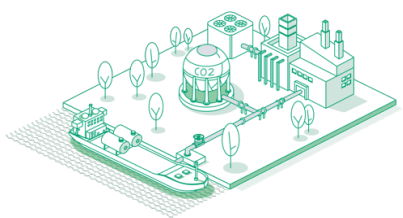
Carbon dioxide network

≥1.6 Mt CO_2

planned CO_2 transport network capacity requirement

in 2030 +

First cement producer connected to the CO_2 network



CCS Baltic Consortium is the first project in the Baltic States aimed at capturing carbon dioxide (CO_2) during cement production. The project aims to create a CO_2 capture and transport value chain in Lithuania and Latvia, which would enable CO_2 to be transported to ports and then to a permanent storage site at sea. One of the first steps is to conduct a feasibility study, which will include selecting the most efficient method of CO_2 transport. One of the possible ways to transport captured CO_2 is through pipelines, and the EPSO-G group sees a role for itself in the development and operation of such pipelines. The capture of CO_2 from fossil fuels and biogenic CO_2 is important for creating a climate-neutral economy and ensuring the EU's zero-emission targets in the transport, electricity generation and other sectors in both Europe and Lithuania by 2050. The CCS Baltic Consortium project has been recognised as a Project of Common Interest (PCI) by the EU. The network could become operational after 2030.

Energy centre

≥4.5 GW*

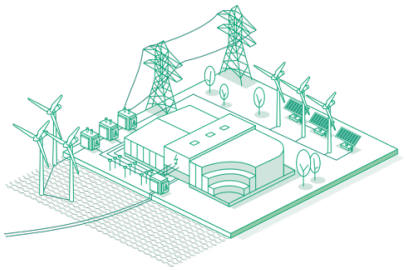
Installed offshore wind power capacity in 2050

*Based on National Energy Independence Strategy

≥2 GW

Planned capacity of the new interconnector with Germany

The *Baltic-German PowerLink* energy hub is a long-term project that will extend beyond 2035, but we are already starting the initial work on its creation. In order to unlock the full potential of renewable energy sources and achieve the goals of the energy sector transformation, it is necessary to rely on the principles of regional cooperation. Coordinated planning and development of energy transmission infrastructure and offshore wind generation allows for the optimisation of possible solutions and increases the social and economic benefits. Regional cooperation creates conditions for the development of the Baltic Sea's wind potential, the expansion of interconnections, and the integration of the electricity and hydrogen sectors. In order to achieve specific regional agreements, the Group is conducting technical and economic studies and seeking the optimal solution for a regional energy hub.



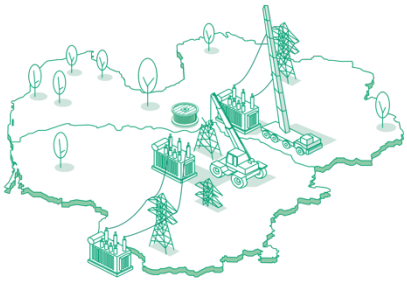
Strengthening of interconnections with Latvia

549 km

Length of newly built and reconstructed overhead lines

EUR 423 million

Preliminary investment value



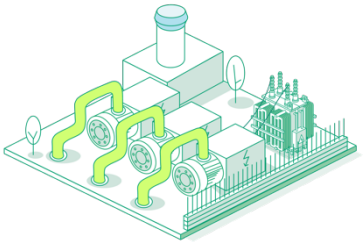
The aim of the programme is to increase cross-border electricity transmission capacity between Lithuania and Latvia by constructing a new electricity transmission line, modernising existing electricity transmission lines and strengthening the related domestic electricity transmission network infrastructure. During the implementation of the programme, we will connect the eastern and western parts of the Lithuanian electricity system, thus ensuring greater energy security, reliable electricity transmission and more stable system operation. At the same time, we will create conditions for the further integration and development of renewable energy sources. Once the programme is implemented, the Lithuania-Latvia interconnection capacity will increase from 1,250 MW to 2,250 MW. It will also enable the connection of an additional 1,100 MW of onshore wind, 800 MW of solar and 2,400 MW of offshore wind power to the transmission network. The programme is scheduled for completion in 2034.

Modernisation of gas compressor stations

2

Gas compressor stations undergoing modernisation

In order to upgrade technologically obsolete equipment, optimise the operation of the transmission system and meet increasingly stringent environmental requirements, Amber Grid launched a project to modernise the Panevėžys gas compressor station in 2025. During the project, the compressor units will be replaced with new ones, and the station will be equipped with modern gas transportation equipment and related accessories that meet green course requirements. The new technical solutions will ensure the stability of existing infrastructure capacities and enable their further development.

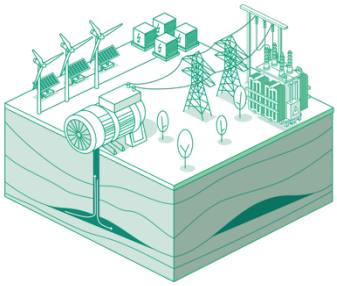


Taking into account the need to reduce technological and tax costs as well as GHG emissions, Amber Grid initiated a project to modernise the Jauniūnai gas compressor station. By the end of 2026, it is planned to install a new electric compressor unit with a capacity of up to 5 MW and all the necessary infrastructure at the station. Once the project is implemented, the reliability of the station's operation will be ensured by the existing two 11.5 MW gas compressors and a new electric unit with a capacity of up to 5 MW. The project will reduce transmission costs and ensure more efficient use of compressor equipment.

Long-term energy storage

By 2035

Assessment of the results of the pilot long-term energy storage project



Energy storage technologies are essential for ensuring the development of renewable energy sources in future energy systems. In order to ensure grid stability, security of supply, adequacy and resilience, and to reduce electricity price fluctuations, we are looking for solutions to store excess energy or compensate for its shortage. Long-term energy storage solutions allow energy to be stored over a longer period (from several days), balancing energy production and price fluctuations. As one of the options, we are evaluating the possibilities of installing a compressed air energy storage system using geological structures in Lithuania. With this project, we aim to increase the resilience and security of supply of the system and ensure a smooth transition to an AEI-based energy system in Lithuania and the Baltic region.

In 2025, the project was included in the list of potential projects in the 10-year network development plan. We have decided to adjust the start of the first phase of the pilot project activities, taking into account external circumstances and the assessment of possible sources of funding. If conditions are favourable, we plan to conduct a feasibility study and long-term compressed air energy storage modelling in the first phase to determine potential capacities and assess the possibilities for using the geological structure.

Partnership between EPSO-G Invest and Rheinmetall

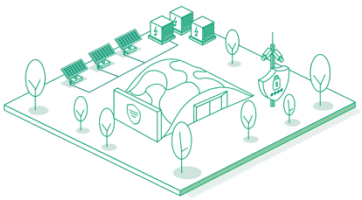
2027

Expected start of commercial artillery production

EUR 260-300 million

Total planned investment in the artillery factory

We participate in national security and defence projects, strengthening the country's resilience and independence. In December 2024, representatives of Rheinmetall, EPSO-G Invest and Giraitės ginkluotės gamykla officially signed a share purchase and shareholder agreement for Rheinmetall Defence Lietuva, UAB, which is building a 155 mm artillery ammunition factory. Currently, 51% of the shares in Rheinmetall Defence Lietuva are owned by Rheinmetall, 48% by EPSO-G Invest and 1% by the Giraitės arms factory. We are investing in this project together with another state-owned company, Valstybės investicinis kapitalas.



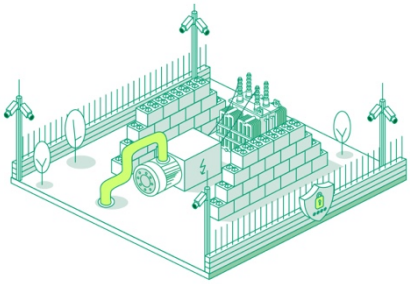
Strengthening the resilience of energy infrastructure

3

Security of facilities managed by the Group's companies strengthened by 2030

EUR 167 million

Total planned investment value



From 2022 In the context of Russia's large-scale invasion of Ukraine in February, and in response to the scale of destruction of strategic energy infrastructure and the geopolitical circumstances in the region, we have decided to strengthen the protection of Lithuania's strategic and important energy infrastructure facilities against hybrid threats. Through the implementation of the programme, we aim to ensure the protection of the most important electricity, gas and energy storage system infrastructure facilities managed by the Group's companies from destruction or disruption, to implement the necessary measures for the resilience of energy systems, threat prevention and preparedness for possible crises. In 2025, we invested over EUR 8 million in the resilience of electricity, gas and storage systems. We used these funds to purchase mobile barrier protection measures, prepare four facilities and transfer them to the Public Security Service for protection, carry out work to install an unmanned aircraft detection and neutralisation system, and begin to build up a reserve of critical equipment.

3.3. Planned Investments until 2035

In implementing key projects and the Group's strategy until 2035, we anticipate significant investments in the development of new infrastructure. The main sources we expect to cover new investments are EU support and other external financing; we also seek to attract investments from partners and optimise the debt and equity structure.

Allocation of strategic investments to implement our strategy

Activities requiring low capital investment

Being reliable strategic partners

- Connection and integration of renewable energy sources
- Biofuel trading and ecosystem services
- Construction and operation services
- Energy consulting services

Activities requiring higher capital investment

Ensuring safety and reliability

- Long-term energy storage
- Critical infrastructure resilience
- Investments in the defence industry
- System flexibility development and optimisation

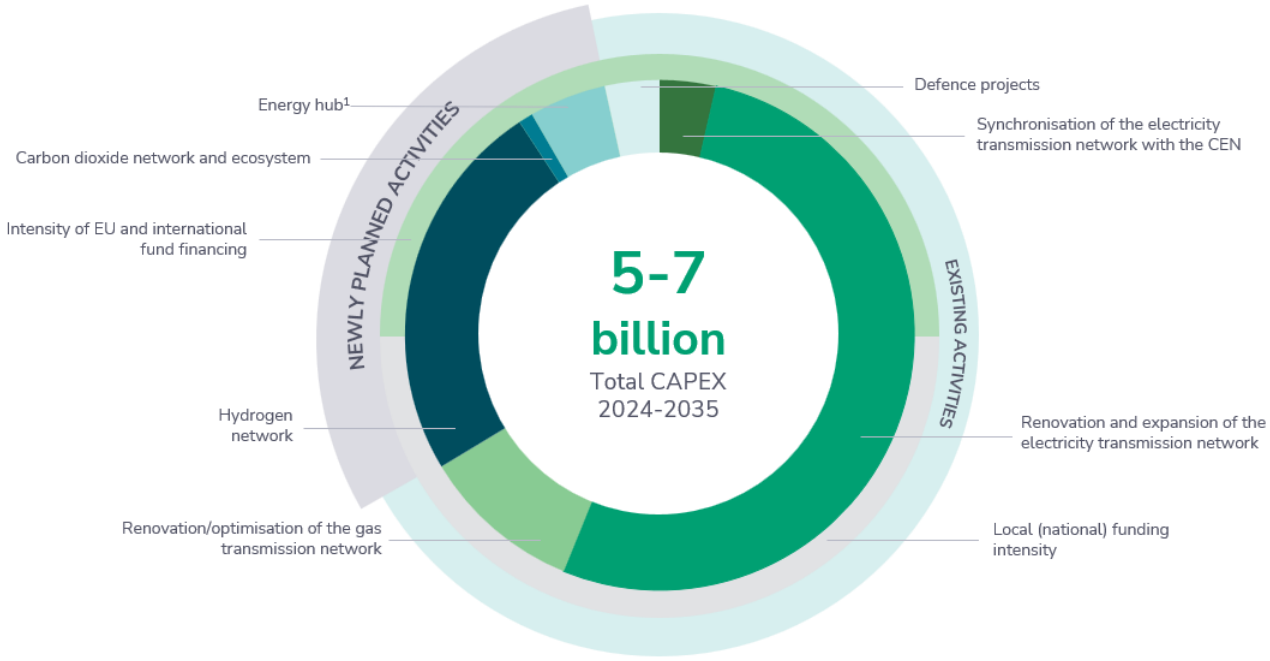
Activities requiring significant capital investment

Building the infrastructure

- Expansion and optimisation of transmission systems
- Hydrogen network
- Carbon dioxide network and ecosystem
- Energy hub



Planned distribution of investments by existing and planned activities until 2035, billion EUR



[1] Due to the high degree of uncertainty, the need for regional agreements and cost-sharing arrangements, it is most likely that investments in the energy hub will only start after 2035. However, alternative financial projection scenarios envisage the possibility that the energy hub investment project could start earlier, as early as 2028.

3.4. EPSO-G Goals for 2026

Based on the directions set out in the Group's strategy and planned initiatives, the EPSO-G Board has set targets for the company for 2026. These include the continuation of projects carried out in 2025 and new unique initiatives (more details on the priorities for 2026 can be found on the website – EPSO-G priorities for 2026).

No	Annual target	Annual target results	Target weight, %
1	Developing future infrastructure	Implementation of the Harmony Link project	35
		Timely implementation of infrastructure development and optimisation projects	
		Development of an energy centre (HUB)	
		Development of the H_2 ecosystem	
2	Ensuring security and reliability	Increasing the resilience of strategic infrastructure	35
		Creating an environment of flexibility and adequacy	
		Strengthening national security through defence development	
3.	Being reliable strategic partners	Development and integration of the RES	15
		Service development	
4.	Enabling sustainable and effective progress	Sustainable finances and sustainable development	15
		Advanced business environment	

3.5. 10-year Network Development Plans

In January 2026, the ESPO-G strategy was updated, providing for significant investments in the growth of energy infrastructure. In order to properly plan infrastructure needs and corresponding investments, and in line with best practices, Litgrid and Amber Grid conducted a public consultation on a joint electricity, gas, and hydrogen network development scenario for the first time in 2026. The consultation also presented planned investment projects and their preliminary values. The proposals and comments received from market participants are being analyzed and coordinated with interested parties, their assessment will be published, and based on the agreed scenario for the development of electricity, gas, and hydrogen networks, the network development plans of transmission system operators will be updated and published in early 2026. Below are the network development plans prepared in 2024 and valid in 2025, which are currently being updated.

3.5.1. 10-year network development plan of the natural gas transmission system operator

In accordance with the provisions of the Law on Natural Gas of the Republic of Lithuania, the gas transmission system operator Amber Grid prepares a 10-year network development plan every two years. The plan currently in force is for 2024. Amber Grid has prepared a ten-year (2024-2033) network development plan, which was approved by NERC in October 2024. The main aspects of Amber Grid's 10-year network development plan include: modernisation of existing gas infrastructure elements, ensuring security, increasing resilience to crisis situations, developing alternative energy sources, integrating renewable energy, creating a hydrogen transport network, synergy between the gas and electricity sectors, and reducing greenhouse gas (GHG) emissions.

Much attention is paid to the integration of RES and their diversity – biomethane and green hydrogen. The integrated hydrogen network plan was developed in line with the needs of potential customers as part of the 10-year network development plan. Possible network solutions were coordinated with the electricity transmission system operator Litgrid and its network development plans.

3.5.2. 10-year network development plan of the electricity transmission system operator

In accordance with the provisions of the Law on Electricity of the Republic of Lithuania, the electricity transmission system operator Litgrid, after consulting with the relevant authorities in the field of electricity sector management and other interested parties, shall submit a 10-year transmission network development plan to the Government no later than 1 July of the current year. The plan includes an assessment of current and projected electricity supply and demand, conclusions from a probabilistic assessment of the adequacy of the electricity system, and effective measures to ensure sufficient system capacity and security of supply. The investments are planned to be used for the implementation of strategic national projects, the efficient use and systematic modernisation of the electricity transmission network managed by the Company, taking into account the impact of the planned investments on the electricity system's ability to meet demand and the security of supply.

The investments are planned to be used for the implementation of strategic state projects, the efficient use and systematic modernisation of the electricity transmission network managed by the Company, taking into account the needs of producers and consumers, and to ensure system reliability indicators (END and AIT).

In October 2024, NERC approved Litgrid's 10-year 400-110 kV network development plan. A new electricity network development plan for the period 2026-2035 is being prepared for 2026.

3.6. Strategy and other planning document update process

The strategy, business plan, annual targets and other planning-related documents are reviewed annually in accordance with the deadlines set out in the Group's Integrated Planning and Monitoring Policy. When updating our plans, we are guided by the expectations of the Ministry of Energy, as the representative of EPSO-G's shareholder rights, as set out in writing (the latest letter of expectations is dated 23 June 2025); the National Energy Independence Strategy (NENS, updated on 28 June 2024); other European Union and national legislation and changes in strategies; changes in the business environment. In order to ensure that the objectives of each strategic direction are properly implemented, at the end of each quarter, the Group evaluates and monitors the progress of the strategy implementation.

04 Our Results



4.1. Report on the Achievement of Strategic Indicators
4.2. Results by Relevant Energy Sectors
4.3. Implementation of the Company's Annual Targets
4.4. Most Important Projects Implemented
4.5. Research and Development Activities
4.6. Financial Report
4.7. Transactions with Related Parties

4. Our Results

4.1. Report on the Achievement of Strategic Indicators

Below we present our strategic, financial and performance indicators. These strategy-based indicators help us to assess our results and set further goals for the EPSO-G Group.

4.1.1. Strategic financial indicators

Adjusted ROE

2025

8.0

%

Target value: **6.5**

2024: **-**

2023: **-**

Adjusted ROE (excluding the additional investment component), calculated as provided for in the Resolution of the Government of the Republic of Lithuania on the main financial performance indicators to be achieved by SOEs for the period 2025-2027.

Adjusted EBITDA

2025

76.7

million

Target value: **76.8**

2024: **73.0**

2023: **59.2**

For more information on the adjusted financial indicators for 2025, see section 4.6.5 of the report.

Net debt to adjusted EBITDA ratio

2025

1.2

Times

Target value: **≤ 1.5**

2024: **-**

2023: **1.4**

In 2022 and 2024, the EPSO-G Group's net debt was negative, i.e. the cash balance slightly exceeded the Group's financial liabilities. Therefore, the net debt/adjusted EBITDA ratio has not been calculated (there is no debt whose coverage would be calculated using the adjusted EBITDA ratio). The results of adjusted financial indicators and debt in 2024 are commented on in sections 4.6.5. and 4.6.7. of this report.

Credit rating

2025

Baa1

Rating

Target value: **≥ Baa1**

2024: **Baa1**

2023: **Baa1**

On 3 July 2025, Moody's Ratings, following its periodic credit rating review, confirmed EPSO-G's Baa1 credit rating with a stable outlook.

4.1.2. Strategic performance indicators

AIT
2025

0.41
Minutes

Target value: ≤ 0.934

2024: **1.04**
2023: **0.84**

Total average interruption time (AIT) in the electricity network. The AIT attributable solely to the operator's responsibility was 0.51 minutes in 2025. NERC has set a target for the total AIT per year not to exceed 0.934 minutes.

ENS
2025

10.12
MWh

Target value: ≤27.251

2024: **29.64**
2023: **23.23**

Total amount of electricity not transmitted (ENS). Due solely to the operator's responsibility, ENS amounted to 14.37 MWh in 2025. NERC has determined that the total ENS per year must not exceed 27.251 MWh. In 2025, the electricity TSO recorded seven incidents that resulted in electricity not being transmitted.

Unplanned interruptions due to operator responsibility in the gas network, 2025

0
Units

Target value: 0

2024: **0**
2023: **0**

There were no unplanned interruptions due to operator responsibility in the gas transmission network in 2025.

Duration of unplanned interruptions due to operator responsibility in the gas network, 2025

0
Ho

Target value: 0

2024: **0**
2023: **0**

There were no unplanned interruptions due to the operator's responsibility in the gas transmission network in 2025, therefore their repair duration was not recorded.

AEI gas entering the system
2025

0.28
TWh

Target value: 0.5

2024: **0.18**
2023: **0.05**

The renewable energy source gas entering the gas transmission system is currently biomethane, which is imported from abroad and produced in Lithuania. At the end of 2025, there were five biomethane production companies in Lithuania.

RES connected to the electricity system
2025

5.9
GW

Target value: 5.4

2024: **4.01**
2023: **2.59**

Of the 6 GW of RES capacity connected to the electricity grid, 2.9 GW is connected to the transmission grid. It should be noted that in previous years only wind and solar power were reported, while the indicator now shows the capacity of all RES sources.

Customer satisfaction (GCSI)
2025

80

Target value: ≥ 80

2024: **81**
2023: **79**

Customer satisfaction surveys based on the GCSI methodology are conducted once a year in the EPSO-G group by surveying customers of Litgrid, Amber Grid, Baltpool and Tetas. The average score for the group's companies was 80 points, with individual companies scoring between 73 and 86 points.

4.1.3. Strategic sustainability indicators

Change in GHG emissions
2025

-14 %

Target value: **25**

2024 **6.1**

2023 **26.1**

Over the past three years, there has been a decrease in GHG emissions from scopes 1 and 2. More information on GHG emissions changes can be found in the Sustainability Report, section "E1 Climate Change".

Employee engagement
2025

76 %

Target value: **≥ 70**

2024 **71**

2023 **74**

EPSO-G conducts an annual engagement survey to determine the proportion of employees who are motivated at work. The group aims to maintain employee engagement at a level of no less than 70%.

Number of serious and fatal accidents involving Group employees in 2025.

0 Units

Target value: **0**

2024 **1**

2023 **0**

There were no serious or fatal accidents among the group's employees in 2025.

Number of serious and fatal accidents involving contractor employees, 2025

1 Units

Target value: **0**

2024 **0**

2023 **0**

In 2025, one accident involving a contractor's employee was recorded on Litgrid's 110 kV overhead line. There were no fatal accidents in 2025.

4.2. Results by Relevant Energy Sector

4.2.1. Electricity transmission

During the period, 9.2 terawatt hours (TWh) of electricity were transmitted via high-voltage electricity transmission networks to meet the needs of the country's population and businesses, which is 3.5% less than in the corresponding period in 2024. In 2025, final electricity consumption in Lithuania was 12.64 TWh. This is 3% more than in 2024, when final consumption reached 12.31 TWh. With the number of consumers generating solar power increasing in the distribution network, the amount of electricity generated and consumed locally but not transmitted to the electricity networks is also growing. Based on AB ESO's preliminary assessment and the data provided, this internal consumption amounted to approximately 0.63 TWh in 2025, an increase of 0.1 TWh (20%) compared to 2024. Taking into account these additional consumption volumes, a total of 13.3 TWh of electricity was consumed in Lithuania in 2025, which is 0.5 TWh (4%) more than in 2024, when 12.8 TWh of electricity was consumed (including internal consumption by generating consumers).

The total availability of the NordBalt interconnection with Sweden and the LitPol Link interconnection with Poland in 2025 was 97.4% and 99.1%, respectively. The availability of NordBalt was most affected by scheduled annual maintenance work (120 hours). NordBalt availability was also reduced by unplanned repair work on the Swedish side (104 hours) and on the Lithuanian side (6 hours).

2025 saw record growth in RES, with approximately 2 GW of RES facilities connected to the transmission network and starting operations. At the same time, electricity storage facility projects were successfully developed: storage reservations reached around 4.2 GW, and at the end of the year, commercial storage facilities with an installed capacity of 119 MW began operating. The priority for 2026 is the significant expansion of electricity storage facilities in order to achieve 1 GW of electricity system flexibility.

Changes in key electricity transmission performance indicators over the last 5 years:

	2025	2024	Change (2025 vs. 2024) +	Change (2025 vs. 2024) %	2023	2022	2021
Amount of electricity transmitted, GWh	9,177	9,510	-333	-3.5	9,525	10,234	10,936
ENS (amount of electricity not transmitted), MWh *	10.12	14.37			2.67	10.62	3.36
AIT (average transmission interruption time), min. *	0.41	0.51			0.10	0.36	0.11
ENS (amount of electricity not transmitted), MWh **	10.12	29.64			23.23	38.69	20.51
AIT (average transmission interruption time), min. **	0.41	1.04			0.84	1.29	0.69
NordBalt availability, %	97.4	97.6			92.8	98.3	97.3
LitPol Link availability, % ***	-	98.0			98.2	98.3	87.5

* Only for reasons attributable to the operator (according to Litgrid's assessment).

**For all reasons (including force majeure and external influences) (according to Litgrid's assessment). NERC has set minimum electricity transmission reliability levels, which must not exceed the following in 2022-2026: ENS - 27.251 MWh/year, AIT - 0.934 min/year).

*** From 1 January to 9 February 2025, the availability of the LitPol Link interconnector was 99.08%. Since 9 February, LitPol Link has been operating in alternating current mode, with the interconnector's capacity to the market assessed on the basis of frequency stability in order to ensure the reliability of the Baltic countries' electricity systems. From 9 February to 31 December, the Poland-Lithuania section was available to the market 99.7% of the time, while the Lithuania-Poland section was available 100% of the time.

4.2.2. Gas transmission

Lithuania is an important gas transmission hub for both our country and neighbouring countries. In 2025, a total of 33.6 TWh of gas was transported through the Lithuanian gas transmission system, excluding transit to Kaliningrad. This is 15% more than in 2024, when 29.2 TWh of gas was transmitted.

In 2025, the gas transmission operator transmitted 15.9 TWh of gas to Lithuanian gas consumers, which is 6% less than in 2024 (16.9 TWh). The annual decline in gas consumption was due to a significant drop in gas demand in the fertiliser production sector. In 2024, consumption in this sector fell by more than a quarter (28.6%) – from 8 TWh to 5.7 TWh. Excluding the impact of this sector, gas consumption in Lithuania grew by almost 14%, from 8.9 TWh to 10.1 TWh.

In 2025, 91% or 30.5 TWh of all gas transported into the system was delivered through the Klaipėda LNG terminal, the main source of gas imports for Lithuania and other Baltic countries, compared to 81% or 23.9 TWh in 2024. The increase in imports through the LNG terminal in Klaipėda allowed for an increase in international gas flows. A total of 12.7 TWh of gas was transmitted to Latvia, Estonia and Finland via the gas interconnector between Lithuania and Latvia. This is 27% more than in 2024, when gas transport volumes amounted to 10 TWh. Flows to Poland almost doubled, from 2.55 TWh to 4.97 TWh in 2025, due to the opportunity to redirect part of the gas flows to meet the newly formed gas demand in Ukraine. Thus, total international gas flows increased by 15.1% in 2024.

It should be noted that in 2024, the Klaipėda liquefied natural gas (LNG) terminal did not operate for the entire year, so import volumes were reduced. In addition, the gas interconnector between Finland and Estonia was out of service for the first four months due to a breach, and planned repairs also affected the availability of the Kiemėnai point (between Lithuania and Latvia).

In 2022, after Lithuania stopped importing russian gas, only gas destined for Kaliningrad is transported via the Lithuania-belarus interconnector. Gas transit to Kaliningrad in 2025 amounted to 19.7 TWh, or almost 25% less than in 2024 (26.1 TWh).

In 2025, 277 GWh of biomethane was fed into the gas transmission system from Lithuanian biogas producers, which is 2.2 times more than in 2024, when the amount of biogas fed into the gas transmission system amounted to 118 GWh.

Changes in key gas transmission performance indicators over the last 5 years:

	2025	2024	Change (2025 vs. 2024) +	Change (2025 vs. 2024) Proc	2023	2022	2021
Gas volume transported to the internal delivery point, GWh	15,901	16,947	-1,046	-6.2	14,913	15,576	24,136
Gas volume transported to neighbouring transmission systems, GWh*	37,414	38,361	-947	-2.5	46,326	48,213	28,595
Number of unplanned gas transmission interruptions due to operator responsibility	0	0	0	0	0	0	0
Total duration of unplanned gas transmission interruptions due to operator responsibility, hours and minutes.	0	0	0	0	0	0	0

* Transmission systems in Latvia, Poland and Kaliningrad.

4.2.3. Biofuel exchange

In 2025, biofuel trading volumes on the Baltpool energy exchange grew by 2.6% to reach 8.75 TWh, compared to 8.5 TWh in the same period in 2024. The total value of transactions concluded amounted to EUR 180.7 million, which is 4% more than a year ago.

Trading activity in Lithuania remained stable, with no significant changes in the buyer structure. The main growth was driven by foreign markets, with the most significant impact coming from the intensified trading activities of SIA Rīgas Siltums and SIA Rigas BioEnergija, which significantly increased their total sales volumes.

During the reporting period, the volume of transactions concluded at the heat auction reached 5.97 TWh, and the average purchase price of heat was 3.74 ct/kWh. Compared to the same period in 2024, the volume decreased by less than 1%, while the average purchase price remained virtually unchanged.

In 2025, the state-owned company Valstybinė miškų urėdija sold 3.05 million cubic metres of timber for EUR 194.6 million in the electronic timber trading system. This is almost 25% less than in the same period in 2024. The average price of timber increased by 7% and amounted to approximately EUR 64/ktm.

Changes in the most important biofuel exchange performance indicators over the last 5 years:

	2025	2024	Change (2025 vs. 2024) +	Change (2025 vs. 2024) %	2023	2022	2021
Amount of biofuel sold on the energy exchange in Lithuania, GWh	7,025	7,001	24	0.3	6,426	6,359	5,630
Amount of biofuel sold on the energy exchange to foreign markets, GWh	1,729	1,528	201	13.2	1,653	397	72

4.3. Implementation of the Company's Annual Targets

Based on the strategic directions set out in the shareholder's letter of expectations and approved in the strategy, the EPSO-G Board has set targets for the company for 2025, which are identical to the targets set for the EPSO-G CEO.

No	2025 annual target	Annual target results	Target weight, % Weight of the achieved target, %
1	Developing future infrastructure	Synchronisation implementation	45
		Expansion and optimisation	
		Development of an energy hub	
		Development of the H_2 and CO_2 ecosystem	
2.	Ensuring safety and reliability	Creating flexibility and adequacy	17.5
		Developing compressed air energy storage in Lithuania	
		Increasing the resilience of strategic infrastructure	
3	Being reliable strategic partners	Development and integration of renewable energy sources	15
		Service development	
4.	Enabling sustainable and effective progress	Sustainable finance	22.5
		Sustainable business development	
		Creating a unified identity	

92.03%

Achievement of 2025 annual targets

The head of EPSO-G is accountable to the board for the implementation of the set objectives, and the board assesses the achievement of the objectives on an annual basis. According to the board's assessment, 92.03% of the objectives set by EPSO-G were achieved in 2025. Some of the targets were only partially achieved due to objective reasons, such as partners' decisions to suspend projects, temporary suspension of investments while seeking alternative solutions, changes in decisions regarding the course of change, etc. However, the adjusted EBITDA result did not reach the target level: the actual result was EUR 76.7 million, compared to the planned value of EUR 76.8 million. A more detailed analysis of the implementation of all the Group's financial targets is provided in sections 4.1.1 and 4.6 of this report.

4.4. Key Projects Implemented



Disconnection from BRELL and connection to CEN

On 8 February 2025, the electricity systems of all three Baltic countries successfully disconnected from the Russian-controlled synchronous area and began testing the isolated system. The test was completed the following day, on 9 February. Immediately afterwards, the systems were connected to the continental European networks.

Synchronisation with the CEN was a long-term goal for the Baltic countries, the implementation of which allows them to separate from the centrally controlled frequency of Russia and the resulting risks of electricity system operation. After connecting to the CEN, the Lithuanian electricity system became more secure, and frequency management became the responsibility of the Baltic countries' electricity transmission system operators.



Synchronisation projects

All infrastructure projects under the Synchronisation Programme will be completed in 2025, with the exception of the Harmony Link land connection project, which was updated in 2024. At the end of the reporting period, the construction of the Neris synchronous compensator was completed and the equipment was connected to the transmission network. The construction of the 330 kV power transmission lines Kruonio HAE–Bitėnai and Darbėnai–Bitėnai was completed, as well as the construction of the 330 kV power transmission line Vilnius-Neris, the construction of the 330/110/10 kV Neris transformer substation and the 330 kV Darbėnai and Mūša switchyards. Territorial planning and design work is being carried out for the Harmony Link interconnection project, and tenders for long-lead equipment have been announced.



Strengthening the resilience of energy infrastructure

In view of the Russian invasion of Ukraine that began in 2022 and in response to the scale of destruction of strategic energy infrastructure in Ukraine and the geopolitical circumstances in the region, a decision was made to strengthen the protection of Lithuania's strategic and important energy infrastructure facilities against hybrid threats. The programme aims to ensure the protection of the most important electricity, gas and energy storage system infrastructure facilities managed by the Group's companies from destruction or disruption, to implement the necessary measures for the resilience of energy systems, threat prevention and preparedness for possible crises.

Work has begun on dismantling the interconnections between Lithuania and Kaliningrad and between Lithuania



System Control Centre

On 20 March, a new System Control Centre equipped with the most advanced technologies was opened. Approximately EUR 1.6 million was invested in the project, which was implemented over a year and a half. This is an important strategic investment that strengthens the country's energy security, independence, gas transmission reliability and resilience to extreme situations. The new system control centre is equipped with a modern SCADA system that allows remote monitoring and control of the entire Lithuanian gas transmission network. Continuous monitoring of gas parameters and operational network management ensure stable and safe management of natural and green gas flows. From the system control centre, engineers can use the SCADA system to control gas pipeline valves in real time, responding effectively to system malfunctions or emergencies and thus reducing gas emissions into the atmosphere in the event of an accident.



NordBalt interconnector control system

In 2025, work was carried out to modernise the NordBalt interconnector control system and related equipment. The aim is to complete the upgrade of the interconnector control system by June 2026.

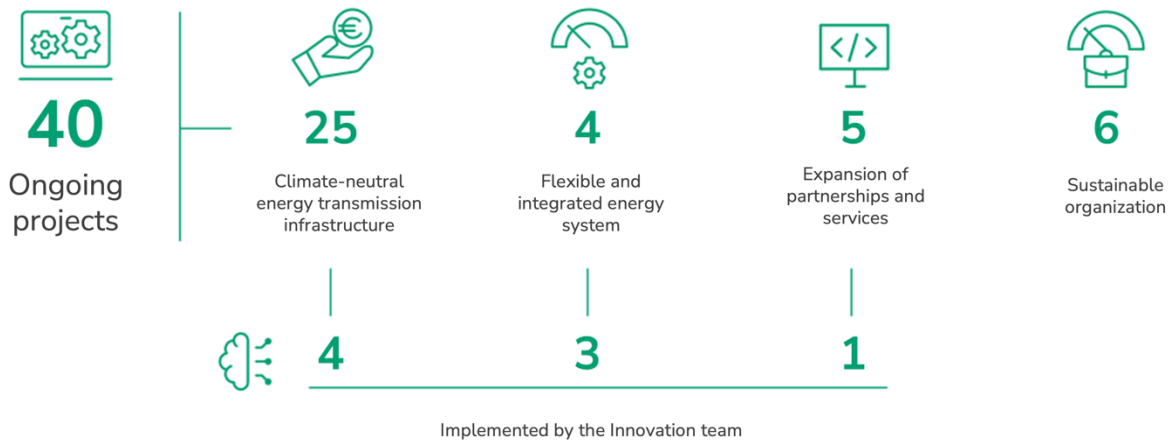
4.5. Research and Development Activities

The transformation of the energy sector encourages us to tackle new challenges, improve existing processes, discover new technologies and methods, and develop our skills in a constantly changing environment. In creating a climate-neutral energy infrastructure and ensuring the reliable and safe operation of an integrated system, we place significant emphasis on research, experimental development and innovation (R&D&I) activities.

In July 2025, the EPSO-G Group's R&D&I procedure was approved, which we use to implement the most innovative energy solutions and carry out pilot projects. In cooperation with European and Lithuanian scientific institutions and businesses, we conduct research, studies and testing, and promote a culture of innovation within the Group in order to achieve efficiency and improvements in our activities.

In 2025, we implemented 11 innovation projects in the Group, 12 were rejected and as many as 27 new initiatives were submitted. Currently, our innovation portfolio consists of 40 projects in progress.

Overview of the innovation project portfolio



Key R&D&I results in 2025

Nordic-Baltic Hydrogen Corridor (NBHC)

The project aims to create a green H2 transport corridor between Finland and Germany, connecting H2 production, supply and storage centres in Finland, Sweden, Estonia, Latvia, Lithuania, Poland and Germany. The most important results of the first half of the year include:

- the decision to launch the second phase of the feasibility study, which is scheduled to be completed in the first quarter of 2027;
- the signing of an EU CEF financial support agreement for the co-financing of the feasibility study phase;
- the launch of the project feasibility study phase, which examines technical, economic, regulatory and environmental aspects, and the procurement of planned technical and economic studies.

More information on the EPSO-G Group's plans for hydrogen development can be found in section 3.2 of this report.

Creating a value chain for CO_2capture, utilisation and storage

AB Amber Grid is a partner in the CCS Baltic Consortium project. The project aims to establish a CO_2 capture, transport and storage system in Lithuania and Latvia, directing it to permanent storage sites in the North Sea (local geological storage is not permitted). A preliminary commercial and technical study conducted in 2025 showed that CO_2 transport by pipeline is a rational, long-term and economically attractive solution. However, due to delays in testing CO2 capture technologies in 2025, a joint decision was made to postpone the conclusion of the contract for financing the technical study on pipeline transport until 2026. Once testing of CO2 technology has been completed, decisions will be made on the method of transport and the feasibility of a technical and economic study of pipelines.

More information on the EPSO-G Group's plans for the development of a carbon dioxide network can be found in section 3.2 of this report.

Analysis of the interaction between the green hydrogen ecosystem and the electricity sector

The analysis was conducted to assess the potential of Power-to-Gas technologies (electrolysers) to provide flexibility services to the electricity system. The results show that, although limited, electrolysis facilities can contribute to the flexibility of the electricity system. Participation in flexibility markets could help reduce the price of hydrogen and optimise costs, but the main revenue will remain from green hydrogen sales, and production volumes will be geared towards end-user needs.

Dynamic transmission tariff concept

A dynamic tariff concept has been developed to encourage the development of flexible consumers and electrification. The proposed measures, which consumers will be able to choose voluntarily, cover three main areas:

- The dynamic energy component, linked to the electricity exchange price, will encourage consumption during periods of low prices and reduce demand when there is a shortage of generation in the system.
- power taxation will be linked to the permitted power (instead of the declared power), thus levelling the playing field for all consumers and ensuring proper network development;
- consumers will be able to choose interruptible supply and receive a lower tariff in exchange for granting the TSO the right to manage the capacity of their facilities in emergency situations.

The necessary legislative changes are expected to be agreed in July 2026, with the tariff coming into effect on 1 January 2027.

Renewable energy source (RES) management system

With the increasing amount of RES and changes in their connection methodology, there is a risk of network overload and system imbalance. Tools and processes have been developed to manage this risk by coordinating the operation of RES in two stages:

- D-1 planning – the transmission network mode is automatically assessed, safe RES operating limits are set, and the possible costs of production restrictions are shared between the TSO and network users.
- Real-time management – an algorithm solves local (overload) and systemic (excess production) problems in real time, automatically sets a safe operating point for RES, and human intervention is only required for confirmation.

Satellite monitoring around main gas pipelines

The project tested an automated satellite data analysis system using radar, multispectral and high-resolution optical images. It allows for the rapid detection of changes and unauthorised activities around main gas pipelines, ensuring safe gas transmission. The project demonstrated the benefits of satellite data for monitoring and finding effective solutions.

Distributed Acoustic Sensing (DAS) system at the NordBalt interconnector

The system installed at the NordBalt interconnector reduces the time needed to locate a cable fault by up to 70%, which can normally take from several days to several months. With the help of DAS, an average of around €71,000 can be saved in cable fault location costs per incident. Based on an assessment of Litgrid's losses during one NordBalt cable fault, more efficient and accurate fault location can help to avoid losses of around €100,000. Considering the losses incurred by Litgrid during one NordBalt cable fault, more efficient and accurate fault location can help avoid damages amounting to EUR 1 million. Distributed Acoustic Sensing (DAS) system at the NordBalt interconnector

Smart measurement of gas pipeline geometry and contamination

The innovation developed allows determining the internal diameter of the main gas pipeline, geometric anomalies, bends, ovality, unmarked elements (elbows, tees, transitions) and assessing contamination. It uses foam plastic with an integrated smart component, which makes it possible to perform internal diagnostics even on pipelines built using old welding technology, where this was previously impossible.

4.6. Financial Report

4.6.1. Five-year consolidated financial results

Financial indicators, million EUR	2025	2024	Change (2025 vs. 2024) +	Change (2025 vs. 2024) %	2023	2022	2021
Revenue	532.5	480.9	51.6	10.7	478.9	589.9	362.9
Operating expenses [9]	504.7	436.8	67.9	15.6	442.0	636.6	318.1
EBITDA [1]	70.2	85.2	-15.0	-17.7	101.3	-11.4	79.6
Adjusted EBITDA [2]	76.7	73.0	3.7	5.0	59.2	63.6	65.2
EBIT	28.0	44.6	-16.6	-37.3	45.3	-46.7	44.8
Net profit	37.8	54.9	-17.1	-31.2	53.8	-42.5	39.8
Adjusted net profit [2]	42.0	41.9	0.1	0.3	26.8	24.7	27.8
Cash flow from operations (FFO) [3]	73.5	89.9	-16.5	-18.3	102.3	-27.7	65.0
Investments [4]	211.1	236.1	-25.0	-10,6	243.1	175.2	112.2
Relative financial indicators, %							
EBITDA margin [5]	13.2	17.7			21.2	-1.9	21.9
EBIT margin [13]	5.3	9.3			9.5	-7.9	12.3
Net profit margin [14]	7.1	11.4			11.2	-7.2	11.0
ROE (last 12 months)	9.5	16.4			20.1	-17.0	15.8
Adjusted ROE (last 12 months)	10.6	12.5			10.0	9.9	11.0
ROA (last 12 months)	3.0	4.5			5.0	-3.0	4.1
Balance sheet financial indicators, million EUR	**31 December 2025**	**31 December 2024**			**31 December 2023**	**31 December 2022**	**31 December 2021**
Assets	1,248.3	1,207.8	40.5	3.4	1,078.5	1,425.7	962.6
Long-term assets	960.9	802.7	158.2	19.7	756.2	709.5	651.8
Current assets	287.4	405.1	-117.7	-29.1	322.3	515.5	310.8
Ownership	433.2	361.2	72.0	19.9	307.9	227.8	271.6
Liabilities	815.1	846.6	-31.5	-3.7	770.6	1,198.0	691.0
Net debt [6]	89.8	-64.9	154.7	n/a	83.5	-28.3	220.8
Working capital [12]	-4.6	-73.2	68.6	n/a	-25,7	-21.5	-72.8
Relative financial indicators							
Asset turnover [7]	42.7	39.8			44.4	45.2	36.8
Net debt to equity ratio, %	20.7	-			27.1	-	81.3
FFO to net debt ratio [10]	81.8	-			122.4	-	29.4
Net debt to EBITDA ratio [11]	1.3	-			0.8	-	2.8
Net debt to adjusted EBITDA ratio	1.2	-			1.4	-	3.4
Equity to assets ratio, %	34.7	29.9			28.5	16.0	28.2
Total liquidity ratio [8]	0.8	1.1			1.0	0.7	0.7
Total liquidity ratio (recalculated)	0.9	1.1			1.0	0.7	0.7

1) EBITDA = profit (loss) before tax + financial expenses – financial income + depreciation and amortisation expenses + impairment losses (including negative revaluation of fixed assets) + write-offs

2) Adjusted income, expenses and profitability indicators are calculated due to temporary regulatory deviations from the regulated profitability approved by NERC, the result of revaluation of fixed assets and other non-recurring gains or losses.

3) Cash flows from operations (FFO) = EBITDA + interest received - interest paid - income tax paid + operating results of associated companies

4) Investments = Acquisitions of long-term tangible assets + acquisitions of long-term intangible assets, excluding offsetting with grants received/receivable for the acquisition of such assets + change in the balance of prepayments during the year

5) EBITDA margin = EBITDA/Revenue

6) Net debt = Long-term financial debt + Short-term financial debt + Lease obligations – Short-term investments – Term deposits – Cash and cash equivalents. The indicator also includes deposits and bonds with a maturity of more than 3 months. It should be noted that the calculated indicator has the opposite sign (in this case, "+") to the net financial debt indicator presented in the financial statements. In the financial statements, the company's liabilities are presented with a minus sign. This does not change the meaning of the indicator.

7) Asset turnover = Revenue (last 12 months)/Assets

8) Current ratio = Current assets/Current liabilities. When preparing the financial statements, the long-term portion of NIB and EIB loans was temporarily classified as short-term. Therefore, we present a recalculated indicator assuming that the portions of NIB and EIB loans temporarily transferred to the short-term portion of loans are treated as long-term.

9) Operating expenses include depreciation expenses

10) FFO to net debt ratio = FFO (last 12 months)/net debt

11) Net debt to EBITDA ratio = Net debt/EBITDA (last 12 months)

12) Working capital = inventories + contract assets + trade receivables + prepayments + taxes receivable from the budget + deferred expenses + grants receivable + income tax paid in advance - (trade payables + dividends payable + accrued expenses and other liabilities + short-term provisions + income tax liabilities + employee-related liabilities + taxes payable + other short-term payables and liabilities - PSO and SGD funds payable - accrued PSO and SIP – deposits received)

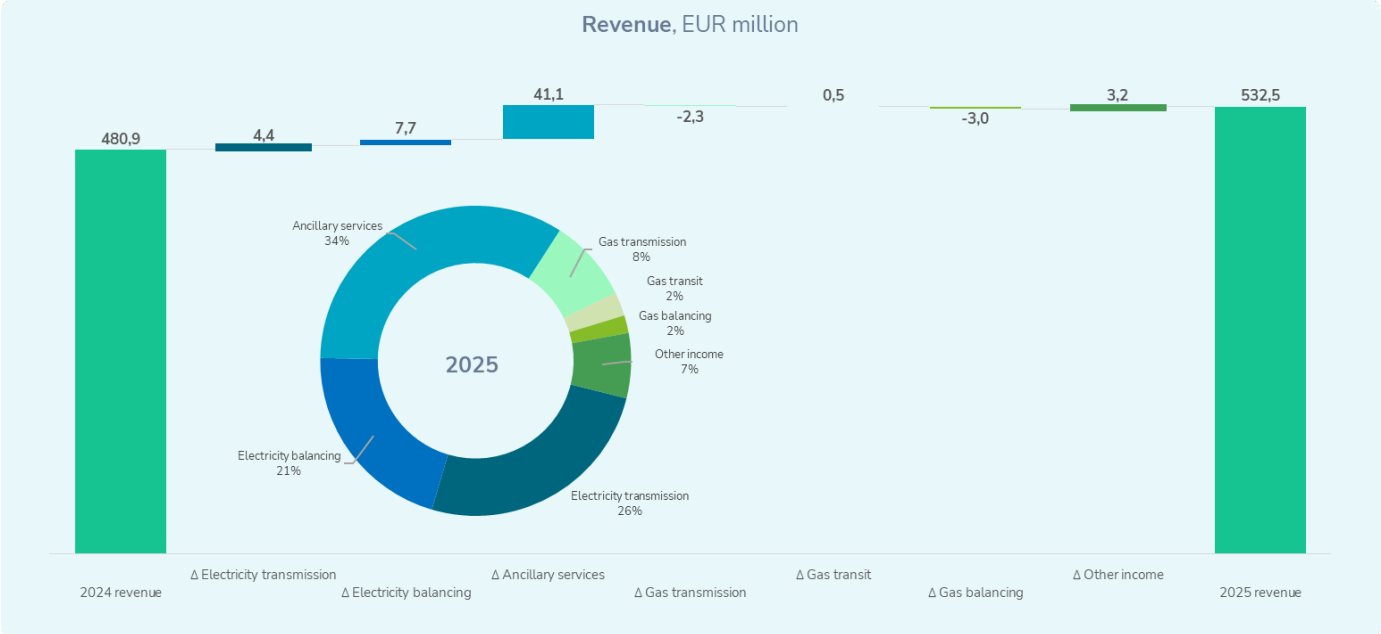
13) EBIT margin = EBIT/Revenue

14) Net profit margin = Net profit (loss)/Revenue

4.6.2. Revenue

In 2025, the consolidated revenue of the EPSO-G Group increased to EUR 532.5 million compared to 2024. This represents an increase of EUR 51.6 million, or almost 11%. Revenue from regulated activities accounted for approximately 96% of the Group's total revenue.

Revenue by segment, EUR million	2025	2024	Change (2025 vs. 2024)	
			+	%
Group revenue:	532.5	480.9	51.6	10.7
Litgrid	431.1	378.3	52.8	13.9
Amber Grid	69.7	74.6	-4.9	-6.5
Elimination of other and intercompany transactions	31.7	28.0	3.7	13.4



Litgrid's revenue from electricity transmission and related services in 2025 was 14%, or EUR 52.8 million, higher than in 2024, reaching EUR 431.1 million and accounting for almost 81% of the EPSO-G Group's total revenue. Although the amount of electricity transmitted decreased by 3.5 % compared to 2024, transmission revenue increased by 4% to EUR 134.3 million, as EUR 34.5 million in congestion management revenue was included in transmission revenue in 2025 to reduce the transmission tariff. Revenue from additional services increased by 29% to EUR 180.2 million. The main reason for the change was the 28% increase in the transmission price component for the purchase of additional services set by NERC. Balancing activity revenues increased by 6% to EUR 108.7 million due to higher sales volumes, although the sales price decreased. Until October 2024, the change in these revenues did not affect the Company's short-term profitability, as the regulated imbalance pricing mechanism was applied. Until October 2024, the change in this revenue did not affect the Company's short-term profitability, as under the regulated imbalance pricing, the revenue compensated for the costs, including the Company's internal costs, attributable to this activity according to the regulatory accounting description. Since October 2024, when the company joined the European Manual Activation Frequency Restoration Reserve Balancing Energy Exchange Platform (MARI), imbalance pricing has changed. Prior to joining MARI, the neutrality component added to (subtracted from) the balancing price was calculated based on the actual balancing trade data for the reporting month so that Litgrid's revenues would match the costs incurred. After joining MARI, the neutrality component is determined in advance and adjusted for subsequent months using actual data from previous months, so the difference between balancing and imbalance revenues and costs during the reporting period may be significant. In 2025, revenues were EUR 3.2 million lower than costs, but this difference does not affect long-term profitability as it will be taken into account in future adjustments.

In 2025, the EPSO-G Group received EUR 69.7 million for natural gas transmission and related services (EUR 4.9 million or almost 7% less than in 2024), which accounts for 13% of the EPSO-G Group's total income. Income from natural gas transmission in the reporting period decreased by EUR compared to 2024. Revenue from natural gas transmission during the reporting period decreased by EUR 2.3 million or 5% compared to 2024 and amounted to EUR 46.2 million. This was due to the 4% lower upper

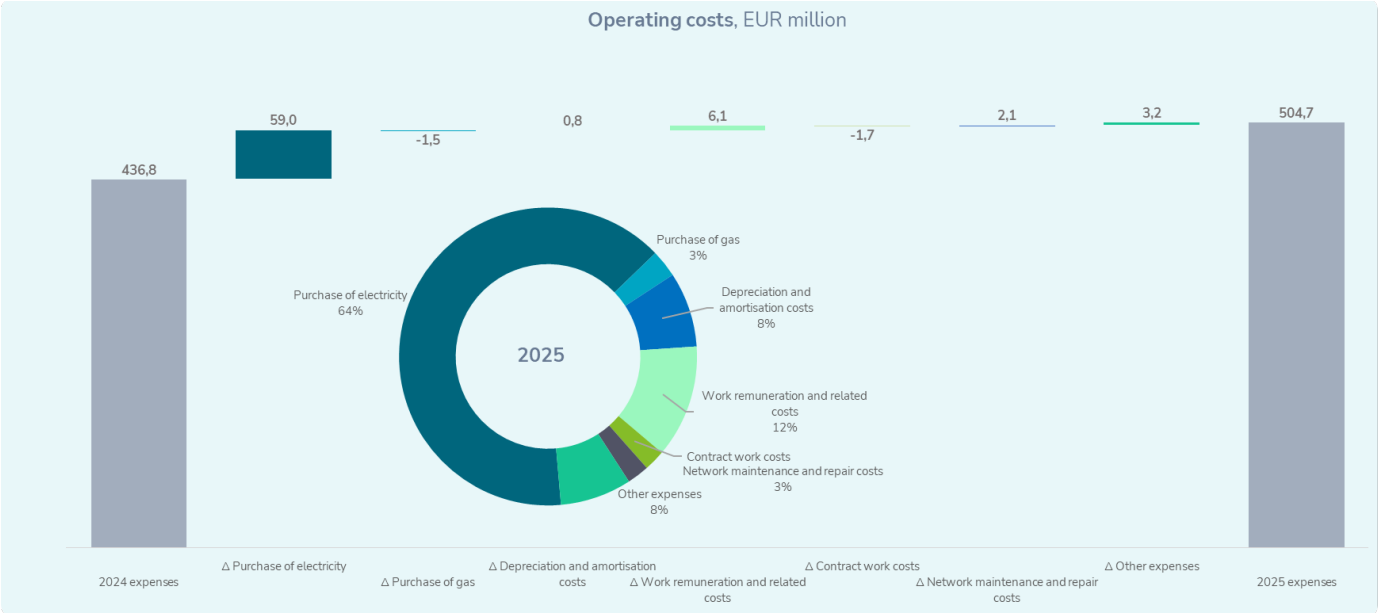
revenue limit for transmission activities set by NERC for 2025. Revenue from natural gas balancing activities decreased by EUR 3.0 million or 23% and amounted to EUR 9.9 million due to a decrease in volume. Revenue from natural gas transmission to Kaliningrad increased by EUR 0.5 million or 4% and amounted to EUR 13.3 million.

Other Group revenues, after eliminating intercompany transactions, remained at the same level and amounted to EUR 31.7 million or 6% of total EPSO-G Group revenues. Compared to 2024, it increased by EUR 3.7 million, mainly due to late payment penalties from the contractor Energy Cells.

4.6.3. Operating expenses

The Group's operating expenses in 2025 amounted to EUR 504.7 million and were EUR 67.9 million or almost 16% higher than in 2024 (EUR 436.8 million). The most significant increase in expenses was due to additional service costs incurred by the electricity transmission operator related to balancing reserve costs.

The largest share of operating costs was accounted for by the purchase of electricity and natural gas energy resources and related services for technological and own needs – EUR 339.0 million or 67% of total costs. Wages and related costs amounted to EUR 61.8 million. Depreciation and amortisation costs amounted to EUR 41.1 million. Contract and subcontract work and materials amounted to EUR 11.5 million. Network maintenance and repair amounted to EUR 12.1 million. and other expenses amounted to EUR 39. 2 million.



Operating expenses by segment, EUR million	2025	2024	Change (2025 vs. 2024) +	Change (2025 vs. 2024) %
Group operating expenses:	**504.7**	**436.8**	**67.9**	**15.6**
Litgrid	**406.7**	**341.0**	**65.7**	**19.3**
Costs of electricity and related services	329.0	271.6	57.4	21.1
Wages	24.2	20.6	3.6	17.4
Depreciation and amortisation	23.3	22.6	0.8	3.5
IMT impairment costs	0.0	0.5	-0.5	n/a
Other	30.2	25.8	4.4	17.2
Amber Grid	**67.1**	**63.0**	**4.1**	**6.4**
Natural gas procurement costs	15.1	16.5	-1.5	-8.8
Wages	17.3	15.5	1.8	11.5
Depreciation and amortisation	14.7	14.9	-0.2	-1.8
IMT impairment costs	0.0	0.0	0.0	n/a
Other	20.0	16.1	3.9	24.7
Other segments and elimination of intercompany transactions	**30.9**	**33.4**	**-2.5**	**-7.3**
etc. (Sub)contracted works and materials performed by Tetas	22.7	27.0	-4.3	-15.9

Litgrid's operating costs increased by EUR 65.7 million, or 19%, and amounted to EUR 406.7 million, or 81% of the Group's operating costs. The change was mainly due to a 44% increase in the cost of additional services (EUR 174.7 million) due to higher frequency restoration reserve costs. The change was mainly due to a 44% increase in the cost of ancillary services (EUR 174.7 million) due to higher frequency restoration reserve costs. According to the pricing of ancillary services, the result of ancillary services for the previous year is assessed by determining the contribution of ancillary services purchased in subsequent years, therefore the result of this activity is zero profitability over a period of several years.

Amber Grid's operating costs increased by EUR 4.1 million or 6% and amounted to EUR 67.1 million or 13% of the Group's operating costs. The increase in other costs was partially offset by lower costs of balancing activities due to lower volumes.

The costs of other EPSO-G Group segments remained at a similar level and amounted to EUR 30.9 million or 6% of the Group's operating costs.

4.6.4. Operating result

The Group's earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 70.2 million in 2025. Compared to 2024, this was EUR 15.0 million lower (EUR 85.2 million in 2024).

EBITDA margin in 2025 was 13.2%. (in 2024, the figure was 17.7%).

Financial results by segment, EUR million	2025	2024	Change (2025 vs. 2024)	
			+	%
Group EBITDA:	**70.2**	**85.2**	**-15.0**	**-17.7**
Litgrid	48.9	60.6	-11.7	-19.2
Amber Grid	17.3	26.5	-9.2	-34.7
Other segments and elimination of intercompany transactions	3.9	-1.9	5.8	n/a
Group net profit (loss):	**37.8**	**54.9**	**-17,1**	**-31.2**
Litgrid	34.2	49.0	-14.8	-30.2
Amber Grid	1.4	8.3	-6.9	-83.6
Other segments and elimination of intercompany transactions	2.2	-2.4	4.6	n/a

Litgrid's EBITDA decreased by EUR 11.7 million compared to 2024 and amounted to EUR 48.9 million. This increase was not included in the tariff at the beginning of the year, and the deviation in the results of additional services for the current year will be assessed when setting the tariff for subsequent years. This increase was not included in the tariff at the beginning of the year, and the deviation in the result of additional services incurred during the current year will be assessed when determining the additional services purchase component for subsequent years.

Amber Grid's EBITDA decreased by EUR 9.2 million or almost 35% to EUR 17.3 million. This result was due to decreased revenues from natural gas transmission activities, increased natural gas purchase costs for own technological needs and costs related to a one-off compensation payment to the Polish gas system operator (CBCA contribution) for the construction of the Lithuanian gas interconnection with Poland (GIPL).

The result of eliminating other segments and intercompany transactions in 2025 was positive due to improved contract work results and the recognition of Energy Cells late payment interest from the contractor, amounting to EUR 3.9 million.

4.6.5. Adjusted operating results

Regulated income, costs and profitability indicators are recalculated due to temporary regulatory deviations from the regulated profitability approved by NERC. When calculating the adjusted indicators, the adjustment of income for previous periods, which has already been approved by the NERC decision when setting the regulated prices for transmission services for the reporting period, is assessed and the deviation between the regulated (approved by NERC) and actual profitability for the reporting period, which will be assessed by NERC when setting transmission prices for the coming period, is taken into account, and the results of asset revaluation and other non-recurring gains or losses are eliminated.

- Adjusted EBITDA for 2025 is EUR 76.7 million (2024 – EUR 73.0 million).
- Adjusted net profit for 2025 is EUR 42.0 million (2024 – EUR 41.9 million).
- Adjusted average return on equity (ROE) for the last twelve months: 10.6%. (2024: 12.5%)

The Group's adjusted EBITDA increased due to the higher return on investment approved by the regulator (WACC for the natural gas transmission operator, the electricity transmission operator and the energy storage system operator increased by approximately 0.7 p.p.) and the increased EBITDA of Tetas.

The Group's adjusted net profit remained at a similar level. The indicator was increased by factors affecting adjusted EBITDA, which were not offset by the decline in the operating results of associated companies (TSO Holding and GET Baltic), poorer financial results and a reduction in the income tax investment allowance applied by Litgrid.

Adjusted financial results by segment, EUR million	2025	2024	Change (2025 vs. 2024) +	Change (2025 vs. 2024) %
Group adjusted EBITDA:	**76.7**	**73.0**	**3.7**	**5.0**
Litgrid	53.0	47.6	5.4	11.6
Amber Grid	27.4	27.4	0.0	0.2
Elimination of other and intercompany transactions	-3.8	-1.9	-1.9	n/a
Group adjusted net profit (loss):	**42.0**	**41.9**	**0.1**	**0.3**
Litgrid	37.7	34.3	3.4	10.0
Amber Grid	10.0	10.1	-0.1	-0.9
Elimination of other and intercompany transactions	-5.7	-2.5	-3.2	n/a

Detailed adjustments for calculating adjusted EBITDA and adjusted net profit (loss) are disclosed below.

EBITDA adjustment, million EUR		2025	2024
Group EBITDA		70.2	85.2
Amber Grid	Repayment of investment return mismatch for previous periods	4.6	7.5
	Payment to Poland for GIPL included in 2022 revenue	0.0	-5.5
	Difference between actual and NERC-determined revenue for the current year	4.2	5.7
	Actual balancing result for the current year	0.0	0.2
	Difference between actual technological losses and those specified in the price for the current year	-2.3	-9.4
	Other adjustments between actual amounts for the current year and amounts set in prices	3.6	2.3
Litgrid	Refund of mismatch in return on investment in transmission activities for previous periods	21.8	13.1
	Difference between actual technological losses and those included in the price for the current year	0.0	-6.1
	Other transmission activity investment return discrepancies	-2.2	-2.5
	Refund of mismatches in return on investment in additional services for previous periods	-13.4	0.0
	Difference in regulatory return on additional services for the current year	-2.2	-17.5
Energy cells	Actual balancing result for the current year	-0.9	0.0
	Impact of atypical events	-6.8	0.0
Adjusted group EBITDA		**76.7***	**73.0***

* Adjusted EBITDA for 2025 is calculated based on unaudited regulated activity report data, while 2024 is adjusted based on audited regulated activity report data.

**Energy cells financial indicators are adjusted from 2025 when the company starts balancing activities. Late payment interest received from the contractor is recognised as a non-recurring event.

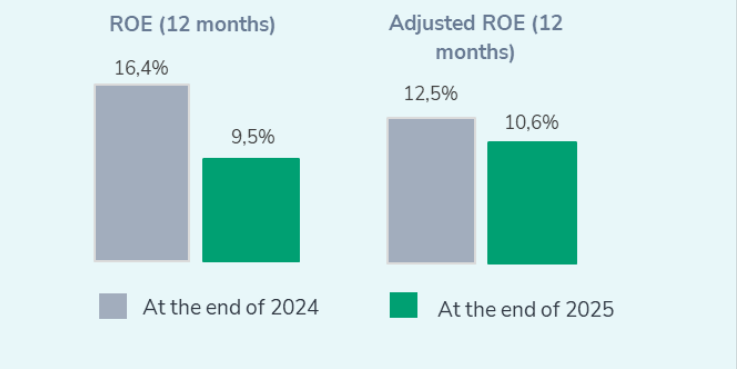
Adjustment of net profit (loss), million EUR		2025	2024
	Group net profit (loss)	37.8	54.9
Amber Grid	EBITDA adjustment	10.1	0.9
	Difference between regulatory and financial depreciation of long-term tangible assets for the current year	0.4	0.8
	Difference between actual taxes and those included in the price for the current year	-1.9	0.0
	Impact of IMT assessment and atypical events	0.0	0.1
Litgrid	EBITDA adjustment	4.1	-13.0
	Difference between actual taxes for the current year and those included in the price	-0,7	-1,7
	Impact of IMT assessment and atypical events	0.0	0.0
Energy cells	EBITDA adjustment	-7.7	0.0
	Difference between actual taxes for the current year and those included in the price	-0.1	0.0
	Adjusted net profit (loss) of the group	**42.0***	**41.9***

* Adjusted net profit for 2025 is calculated based on unaudited regulated activity report data, while the figure for 2024 is adjusted based on audited regulated activity report data.

4.6.6. Return on equity

At the end of December 2025, the return on equity (last 12 months) was 9.5%, down 6.9 percentage points compared to 2024 due to a nearly 31% decrease in net profit and an increase in average equity used as the denominator for calculating the indicator.

At the end of December 2025, the adjusted return on equity (last 12 months) decreased by 2.5 percentage points compared to the end of 2024 decreased 10.6%. The increase in the regulatory return due to the higher rate of return on investment set by NERC in 2025 compared to that set in 2024 was not offset by poorer financial performance (a temporary increase in Litgrid's working capital requirements reduced the opportunities to earn additional returns from investing funds) and lower performance of associated companies. The most significant decline in the indicator was due to an increase in average ownership.



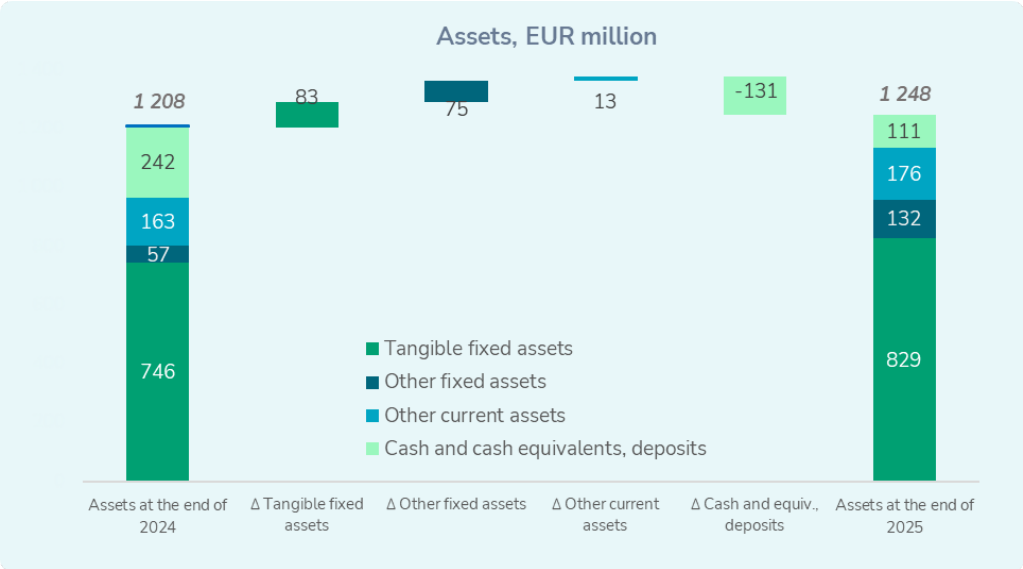
Key financial indicators of regulated activities	2025	2024	Change (2025 vs. 2024)	
			+	%
RAB (at the beginning of the year), million EUR				
Litgrid	382.0	348.0	34.0	9.8
Amber Grid	268.3	271.6	-3.3	-1.2
Energy cells	15.7	16.2	-0.5	-3.1
Regulatory depreciation, million EUR				
Litgrid	20.3	18.8	1.5	8.0
Amber Grid	13.0	13.5	-0.5	-3.7
Energy cells	1.1	1.0	0.1	10.0
WACC (weight-averaged cost of capital)*, %				
Litgrid	5.77	5.00	0.77 p.p.	
Amber Grid	5.68	5.04	0.64 p.p.	
Energy cells	5.69	4.97	0.72 p.p.	

* The rate of return on investment set by the Council and included in the regulated prices (WACC).

4.6.7. Statement of financial position

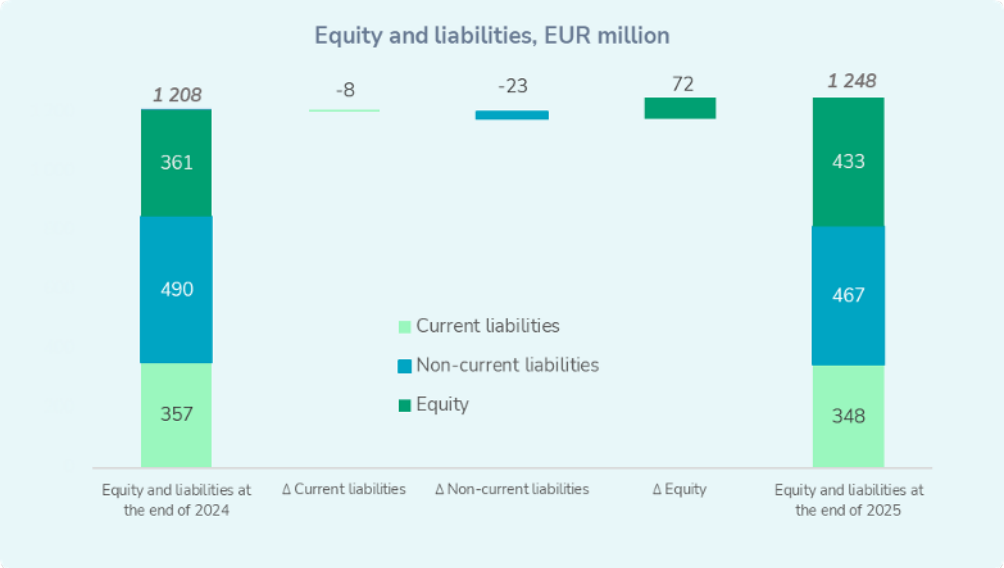
On 31 December 2025, the Group's assets amounted to EUR 1,248.3 million, an increase of 3% or EUR 40.5 million compared to the end of 2024. The electricity transmission operator's investments in non-current assets offset the temporary decrease in free cash flow due to working capital requirements.

The Group's non-current assets amounted to EUR 960.9 million and accounted for 77% of the Group's total assets. Compared to the end of 2024, non-current assets increased by 20% or EUR 158.2 million due to investments in electricity transmission infrastructure systems and investments in the capital of Rheinmetall Defence Lietuva, UAB.

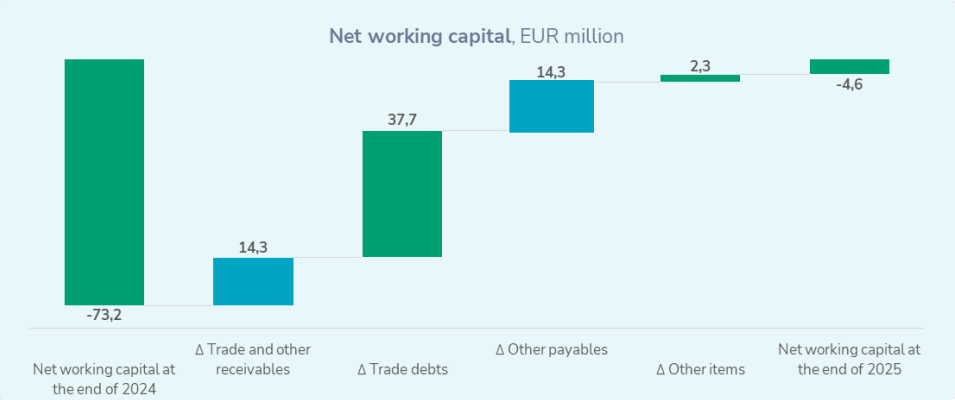


As at 31 December 2025, non-current liabilities amounted to EUR 466.7 million, an decreased of 5% or EUR 23.0 million compared to 31 December 2024. The decrease was due to the reclassification of EIB loans into long-term and short-term liabilities.

Shareholders' equity increased by 20% or EUR 72.0 million compared to the end of 2024 and amounted to EUR 433.2 million due to the net profit earned during the reporting period. The share of equity in relation to the Group's assets at the end of December 2025 was 35%. (30% at the end of 2024).



During 2025 At the end of December 2025, the Group's net financial liabilities to creditors, including lease liabilities, amounted to EUR 201.0 million.



At the end of December 2025, the Group's net financial liabilities to creditors, including lease liabilities, amounted to EUR 201.2 million. Mainly due to Litgrid's accumulated congestion revenues, cash and cash equivalents, term deposits and short-term investments (including accrued interest) amounted to EUR 111.4 million at the end of the period. Net financial debt amounted to EUR 89.8 million.

Net debt, million EUR	31 December 2025	31 December 2024	Change (2025 vs. 2024)	
			+	%
Group net debt:	**89.8**	**-64.9**	**154.7**	**n/a**
Long-term and short-term loans	190.5	165.6	24.9	15.0
Lease liabilities	10.7	11.9	-1.2	-10.1
Cash and cash equivalents, deposits, bonds	111.4	242.4	-131.0	-54.0

In the management's assessment, when analysing the net debt level for management purposes, financial debt is reduced in the calculation formula not only by cash and cash equivalents, but also by the portion of financial assets consisting of highly liquid and low-risk instruments, i.e. deposits with a maturity of more than 3 months or government securities of countries with high credit ratings with a maturity of up to 360 days. The composition of the components used in the calculation of the indicator was chosen taking into account the fact that these financial instruments can be converted into cash within a very short period of time and without incurring any or insignificant financial losses.

4.6.8. Financing

In June 2022, EPSO-G issued **a** sustainability-linked **bond**, which is listed on the Nasdaq Baltic Debt Securities List. As at 31 December 2025, there were 31 bondholders.

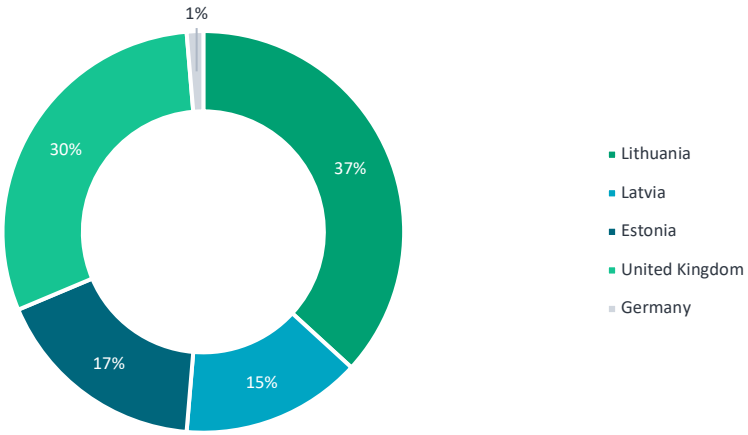
ISIN code	LT0000406530
Currency	Euro
Issue size	75,000,000
Coupon	3.117
Redemption date	8 June 2027

Sustainability-linked bond prospectus targets and indicators

Indicators (KPIs)	Baseline value of the indicator	Sustainability performance targets (SPTs)
KPI 1: Scope 1 and 2 GHG emissions (tCO_2 e) using market-based methodology	2019	SPT1: 30% reduction in GHG emissions from scopes 1 and 2 (market-based method) by 2026 compared to the 2019 base year
KPI 2: Amount of non-transferred energy (NET), MWh	No baseline values	SPT2: Amount of non-transferred electricity, which would not exceed 136,255 MWh in the period 2022-2026

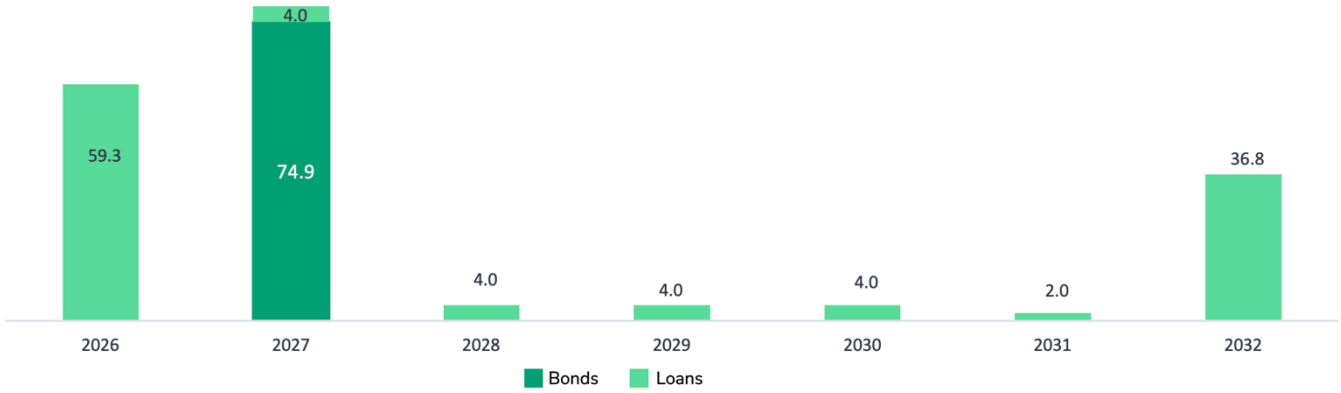
Information on the performance of the indicators set out in the sustainability-linked bond prospectus is provided in sections 4.1 and 4.2 of this report and in the Sustainability Report section "E1 Climate Change".

Structure of bondholders, per cent. (31 December 2025)



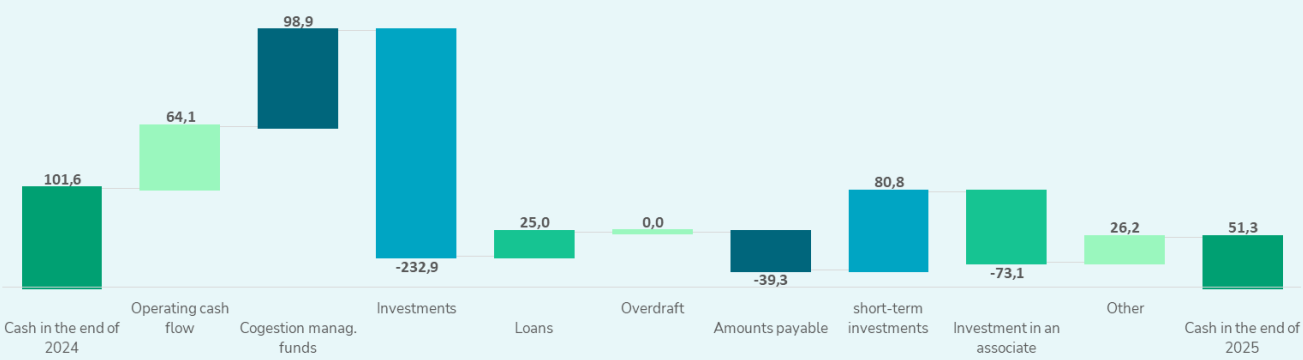
As at 31 December 2025, all financial liabilities were denominated in euros. As at 31 December 2025, 71.2% of total financial liabilities, including bonds, had a fixed interest rate, while the remaining portion of financial liabilities had a variable interest rate. The weighted average interest rate on loans as at 31 December 2025 was 2.2% (31 December 2024 – 2.2%). The average maturity of financial liabilities as at 31 December 2025 was 3.1 years.

Group financial debt repayment schedule (excluding interest), EUR million



4.6.9. Cash flows

Cash flows, EUR million



In 2025, the EPSO-G Group's cash flow from operating activities amounted to EUR 62.7 million (EUR 89.3 million in 2024). The Group allocated EUR 226.5 million to investments in non-current assets (EUR 188.2 million in 2024). During the reporting period, EUR 2.5 million in EU support funds was received for the financing of investment projects (EUR 86.1 million in 2024).

In 2025, Litgrid received EUR 98.9 million in congestion management revenues, which was 27% or EUR 35.8 million less than in 2024 due to lower electricity price differences between regions. These revenues are not recognised as income and do not directly affect the company's operating results; their use is regulated by Regulation (EU) No 1370/2013 of the European Parliament and of the Council. These revenues are not recognised as income and do not directly determine the company's operating results. Their use is regulated by Regulation (EU) 2019/943 of the European Parliament and of the Council and the methodology approved by the Agency for the Cooperation of Energy Regulators (ACER). Congestion management revenues are mainly used to partially finance Litgrid's investments in increasing the capacity of interconnections. In 2025, congestion management revenues used to reduce electricity tariffs amounted to EUR 34.5 million. Investments amounted to EUR 53.1 million (in 2024, investments amounted to EUR 43.5 million).

In 2025, the Group repaid EUR 11.8 million in long-term loans (EUR 12.1 million in 2024). In September, EPSO-G and Swedbank signed an agreement in Lithuania for a long-term loan of EUR 73 million. These funds will be used for investments by EPSO-G Invest, a company belonging to the EPSO-G Group, in an artillery ammunition factory project, which will increase the country's defence industry capabilities and contribute to national security. In September, EUR 36.8 million was received. In 2025, the group reduced its short-term financial instruments (deposits and bonds) by EUR 80.8 million.

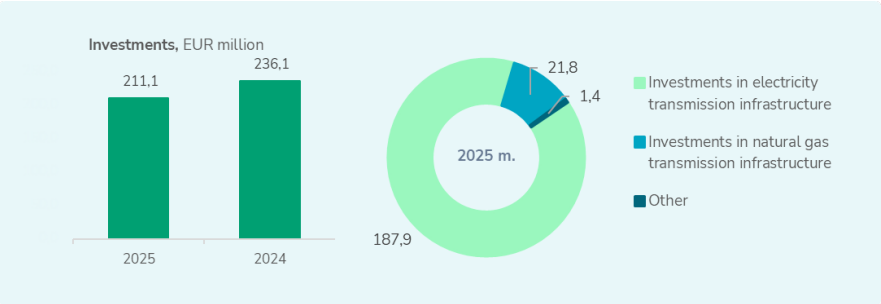
In 2025, EPSO-G Invest invested EUR 73.1 million in Rheinmetall Defence Lietuva, UAB. This amount was formed from contributions by EPSO-G and Valstybės investicinis kapitalas to the equity capital of EPSO-G Invest.

4.6.10. Investments

In 2025, the EPSO-G Group's investments (long-term assets are accounted for at acquisition cost, without taking into account any subsidies received/receivable for the acquisition of those assets) amounted to EUR 211.1 million. This was EUR 25.0 million Eur or 11% lower than in the corresponding period of 2024 (236.1 million Eur).

Litgrid's investments amounted to EUR 187.9 million (of which 36% was allocated to the implementation of strategic and nationally important electricity projects, and 64% to the reconstruction, expansion and maintenance of the transmission network) and accounted for 89% of the Group's investments.

Amber Grid's investments in the reconstruction and modernisation of the main network amounted to EUR 21.8 million (optimisation of the Jauniūnai gas compressor station (hereinafter – GCS) capacity EUR 12.5 million, restoration of main gas pipelines based on diagnostic results EUR 1.6 million, purchase of special-purpose transport and equipment EUR 0.8 million, upgrade of the asset management information system EUR 0.6 million, upgrade of cathodic protection systems EUR 0.5 million, restoration of the Elektrėnai DSS EUR 0.5 million, reconstruction of the dispatch building EUR 0.6 million, gas pressure regulator upgrade works EUR 0.1 million, optimisation of the Panevėžys DKS capacity and ensuring long-term continuity EUR 0.1 million, etc.).



4.7. Transactions with Related Parties

On 29 June 2023, the EPSO-G Board, having assessed the amendments to the Law on Joint Stock Companies of the Republic of Lithuania, repealed the Policy on Transactions with Related Parties. In order to ensure compliance with the requirements set out in the aforementioned law and to ensure proper supervision and disclosure procedures for transactions with related parties by the Group's companies, the boards of the Group's companies (Litgrid and Amber Grid) are required to seek the opinion of the EPSO-G Audit Committee before entering into transactions with related parties that meet the criteria of the Law on Joint Stock Companies of the Republic of Lithuania and to ensure that such transactions are disclosed in accordance with the established procedure.

Information on related party transactions, if any, during the reporting period is disclosed in the annual financial statements.

05 How We Make Decisions



5.1. EPSO-G's Operating System and Documents
5.2. EPSO-G Collegial Bodies and their Activities
5.3. EPSO-G Management and Responsible Persons
5.4. Risk Management System
5.5. Compliance, Anti-corruption and Conflict of Interest Management
5.6. Audit and Financial Reporting

5. How We Make Decisions

In 2025, we manage the EPSO-G Group in accordance with the version of the EPSO-G corporate governance guidelines approved on 29 December 2022 by the Ministry of Energy of the Republic of Lithuania, which exercises the rights and obligations of the sole shareholder of EPSO-G. The guidelines establish corporate governance principles that apply uniformly to all EPSO-G Group companies and regulate the governance model, management structure, and management, control and accountability system. The guidelines set out seven key principles of corporate governance:

The revised version of the corporate governance guidelines establishes seven key corporate governance principles:

- the principle **of creating conditions for effective corporate governance**, which aims to ensure that the Group is managed and the necessary decisions are taken effectively;
- the principle **of proportionality**, which aims to ensure that the management methods applied by EPSO-G are proportionate, i.e. do not create unnecessary administrative burdens;
- the principle **of exercising shareholder rights**, which aims to create conditions for the proper exercise of all shareholders' rights and legitimate interests;
- the principle **of stakeholder involvement**, which recognises the rights and expectations of stakeholders;
- the principle **of transparency**, which aims to ensure that the Group's activities are organised in a transparent manner, with appropriate disclosure of material information;
- the principle **of responsibility and accountability of management bodies**, which aims to ensure that management bodies perform their functions properly and in a timely manner, actively exercise their rights and properly perform their duties;
- the principle **of integrity**, which aims to ensure both vertical and horizontal integrity.

EPSO-G is based on good governance practices set out in the recommendations on good governance published by the Organisation for Economic Co-operation and Development (OECD), the recommendations of the United Nations and Nasdaq Vilnius, other internationally recognised standards and good governance recommendations, the main objective of which is to ensure that state-owned companies are managed transparently and efficiently.

We strive to earn trust in our strategic projects and pay close attention to transparency and accountability. This is also reflected in external assessments: the overall governance quality of the EPSO-G group received an A rating in the Management Coordination Centre's (MCC) Good Governance Index 24/25.

A Good Governance Index

Ratings given to the group according to MCC dimensions:

- transparency (**A+**);
- strategic management (**A+**);
- collegial bodies (**A**);
- shareholder actions (**A-**).

VKC Valdymo koordinavimo centras

5.1. EPSO-G Operating System and Documents

5.1.1. Performance Documents

EPSO-G Articles of Association

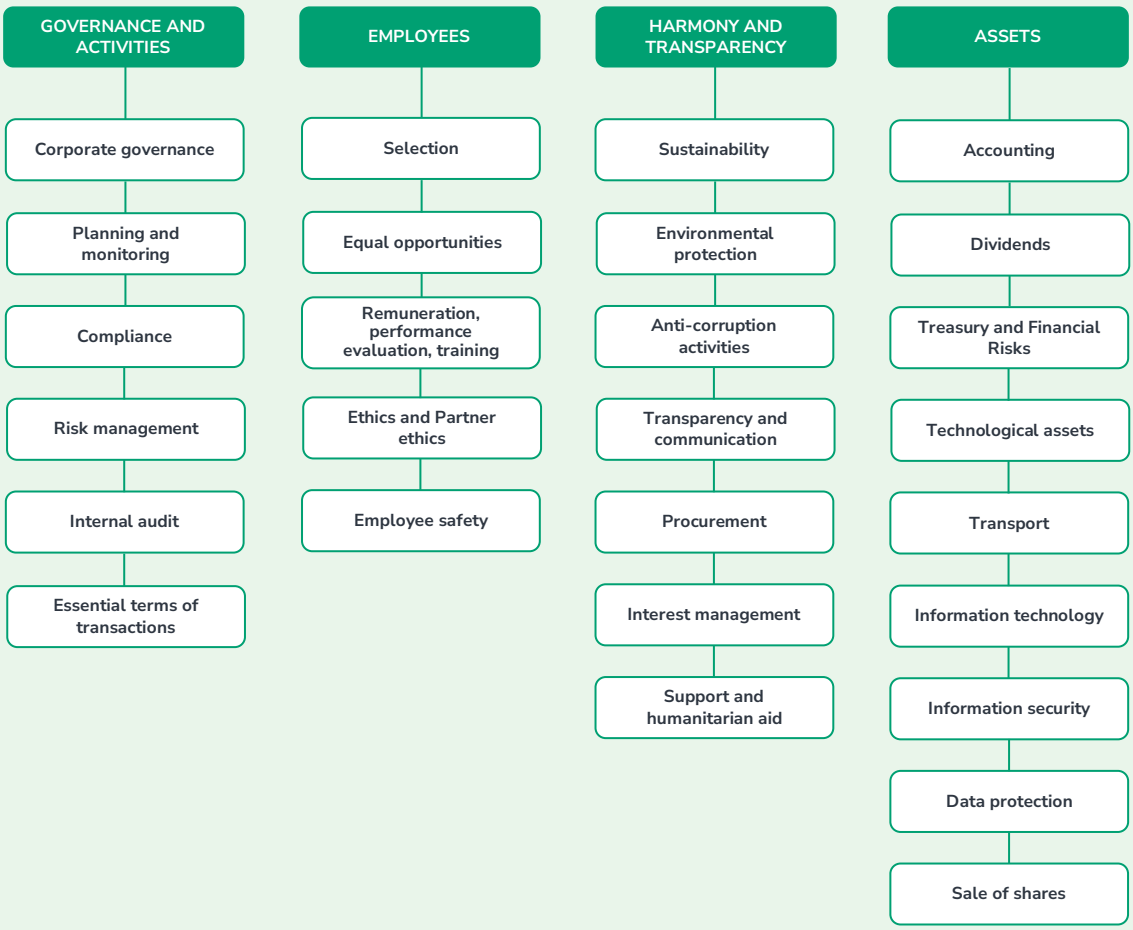
The Articles of Association were not amended in 2025 – the version of the Articles of Association of EPSO-G approved by the decision of the Ministry of Energy on 27 February 2024, which was registered in the Register of Legal Entities on 15 March 2024, remained in force.

The Articles of Association of EPSO-G are available on the EPSO-G website, in the Corporate Governance section.

Operating policy

Good governance practices in the EPSO-G Group during the reporting period were implemented through the application and continuous improvement of the operating policies approved by the Board, which are also followed by the Group's companies. The EPSO-G Group's operating policies help us to implement a consistent and effective organisational management system that enables us to successfully implement important strategic projects and create benefits for the country's people and businesses in a transparent and efficient manner.

In order to achieve the objectives set out in the shareholder's letter of expectations, we at EPSO-G Management Company have established basic principles and, in certain cases, specific rules at the group level in the following areas of activity:



During the reporting period, new versions of the following policies **were approved**: Support and Humanitarian Aid, Essential Terms and Conditions of Transactions, Compliance Management, Technology Asset Management, Information Security, Integrated Planning and Monitoring, Employee Remuneration, Performance Evaluation and Development, Treasury and Financial Risk Management, Information Security Policy, Ethics and Partner Code of Ethics.

The Project Management Policy and the Guidelines for Research, Experimental Development and Innovation Activities **have been repealed**, and these legal relations are now governed by legal acts approved by the head and/or function manager.

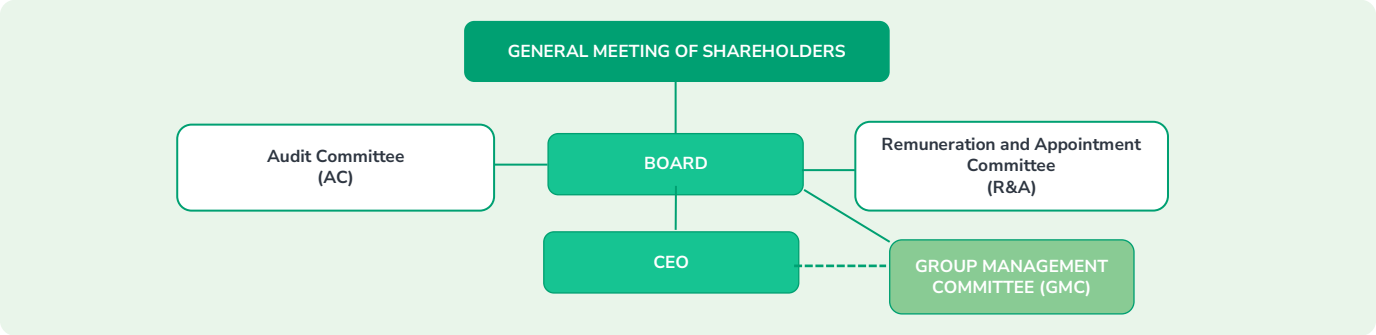
The policies or summaries thereof are available on the EPSO-G website.

5.1.2. EPSO-G management, supervision and organisational system and functions

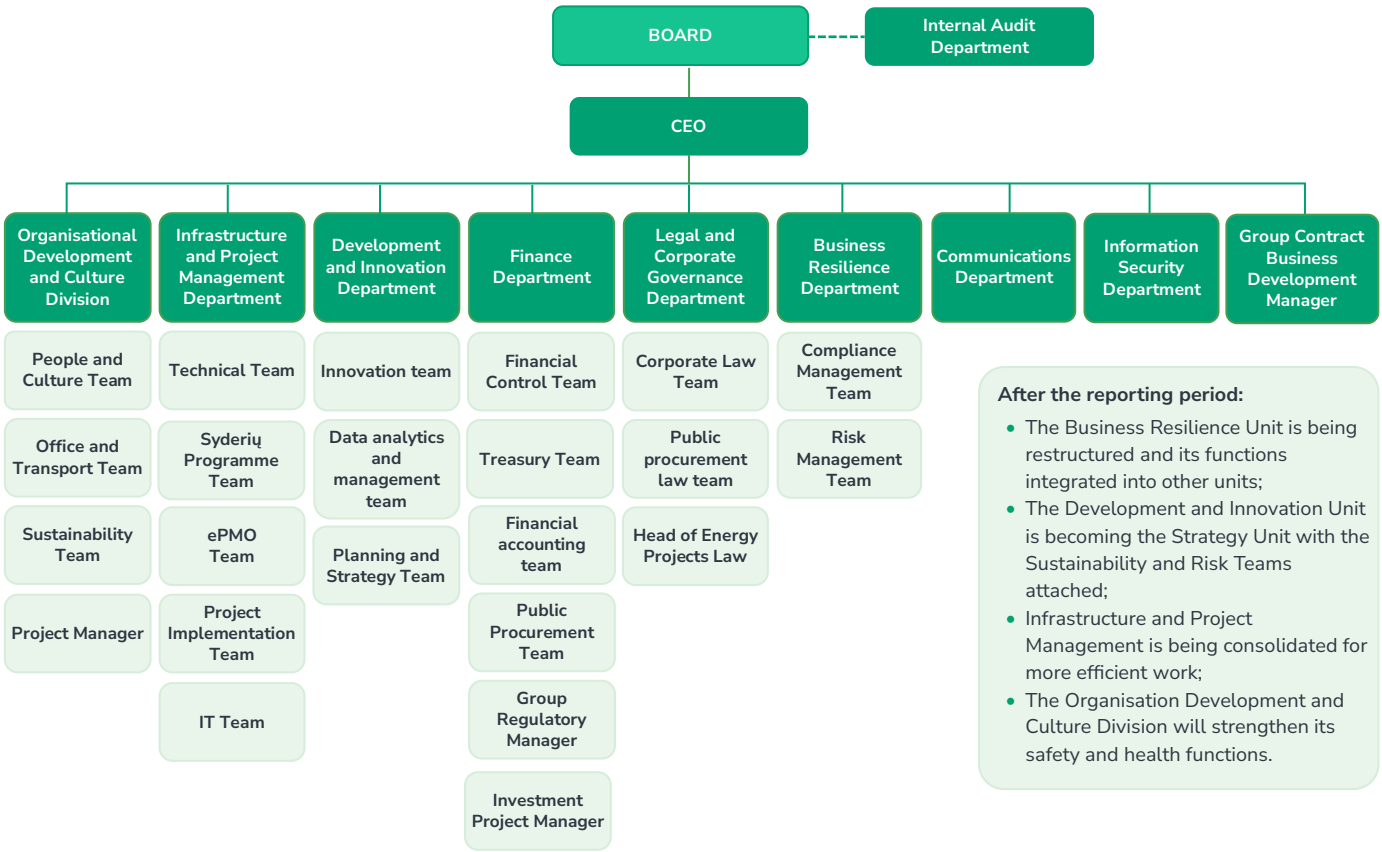
In accordance with the provisions of the Corporate Governance Policy, the governance model of the EPSO-G group of companies is implemented on the basis of two main management mechanisms: (i) corporate and (ii) functional management.

Management and supervision system

The management and supervision structure of EPSO-G ensures optimal organisation of activities, accountability, process efficiency and responsibility.



Organisational structure of EPSO-G (until 1 February 2026)



After the reporting period:

- The Business Resilience Unit is being restructured and its functions integrated into other units;
- The Development and Innovation Unit is becoming the Strategy Unit with the Sustainability and Risk Teams attached;
- Infrastructure and Project Management is being consolidated for more efficient work;
- The Organisation Development and Culture Division will strengthen its safety and health functions.

The EPSO-G Group's corporate governance document system consists of:

- EPSO-G Group corporate governance guidelines.
- The articles of association of the management company and the Group companies.
- Corporate governance policy.
- Rules of procedure of the Board of Directors.
- Audit Committee Rules of Procedure.
- Rules of procedure of the Remuneration and Appointments Committee.
- Other corporate governance documents of the Group companies.

Management of functions and functional areas

In 2025, the management company EPSO-G applied a functional management model to the group's activities, based on the functioning of functions and functional areas at the group level, which, according to international practice, creates the most value for corporate groups. By applying this management model at EPSO-G, we:

- we focus on operational synergy, efficiency and service quality;
- allocate resources and increase competence in important areas of activity that create long-term value – strategy development, investment management and innovation;
- we set policies for Group companies and standardise key Group processes;
- We encourage the sharing of best practices among subsidiaries and support initiatives to improve operations.

During the reporting period, we had 21 functions in the Group.

Group Management Committee

The Group Management Committee (GMC) is a collegial management body formed by a decision of the EPSO-G Board of Directors to help ensure the overall direction of our Group, the effectiveness of its operations and smooth cooperation between Group companies. It consists of the managers of EPSO-G and the Group companies, who jointly make decisions on the development and empowerment of the Group's business segments, as well as the functioning (and centralisation) of functions and functional areas at the Group level.

5.2. EPSO-G Collegial Bodies and Their Activities

5.2.1. EPSO-G general meeting of shareholders

The rights and obligations of the sole shareholder of EPSO-G are exercised by the Ministry of Energy of the Republic of Lithuania, which makes decisions on strategic business directions and approves the most important business guidelines (corporate governance guidelines, remuneration guidelines for collegial bodies, etc.).

In 2025, the sole shareholder of EPSO-G made the following key decisions:

Date	Significant decisions
15 April 2025	Approved the consolidated and company financial statements of EPSO-G for 2024. Approved the decision on profit distribution.
29 April 2025	Elected civil servant Dovilė Kavaliauskienė to the Board until the end of the current term of office of the EPSO-G Board.
25 August 2025	Approved the decision of the Board of EPSO-G UAB to increase the number of shares held by EPSO-G UAB in EPSO-G Invest UAB, to conclude a share subscription agreement with EPSO-G Invest UAB and to approve the essential terms of this agreement.
29 December 2025	The audit firm that will perform the 2026-2028 UAB EPSO-G's consolidated and company financial statements prepared in accordance with international financial reporting standards adopted in the European Union, and the consolidated management report. UAB, to perform the audit of the consolidated and company financial statements of UAB EPSO-G for the period 2026-2028, prepared in accordance with international financial reporting standards adopted in the European Union, and the consolidated management report, and determined the remuneration for the audit services for the period 2026-2028.

5.2.2. EPSO-G Board and Committees

We apply the company's selection policy to all EPSO-G employees, including managers and members of collegial bodies. Requirements corresponding to the responsibilities of each position are set for candidates:

- When forming collegiate bodies, the EPSO-G group seeks to achieve a combination of knowledge, skills and experience among its members that enables the collegiate bodies to perform their assigned functions properly.
- We apply high standards of values, professionalism and impeccable reputation to employees at all levels, and standards of excellent leadership skills to managers.
- The combination of the competence, leadership and professional knowledge of our employees and managers creates the conditions for shaping a creative, progressive organisational culture within the group that is open to innovation and change.

You can find out more about EPSO-G's selection policy on the company's website.

Ensuring diversity

The EPSO-G Group's diversity policy applies to all employees and their selection, including the selection of the company's CEO and members of the management and supervisory bodies. We apply an equal opportunities policy in the company, which defines the key principles applied in the Group's companies to ensure that the principles of equal opportunities and non-discrimination are observed in all areas of employment relations. We have established that the principle of equal opportunities and the prohibition of restricting the rights of employees or granting them privileges on grounds unrelated to their professional qualities shall be observed in all areas of employment relations, including recruitment, the validity of employment relations and their termination. The EPSO-G equal opportunities policy is available on our website.

In 2025, we also signed up to the Diversity Charter, committing ourselves to consistently strengthening the implementation of the principles of diversity, equality and inclusion within the organisation and to further developing an open, respectful and trusting working environment. We believe that different experiences and perspectives strengthen our community and help us make the best decisions. We want every person in our organisation to feel seen, valued and have equal opportunities to grow.

LIETUVOS ĮVAIROVĖS CHARTIJA

At the beginning of 2025, EPSO-G took action to ensure that under-represented genders occupy at least 33% (but no more than 49%) of the positions of company management and supervisory bodies – on the board of directors, board members and supervisory board members – by 2025. (but no more than 49%) of the positions of company director, board member and supervisory board member – on 29 April 2025, Dovilė Kavaliauskienė was elected to the board by decision of the sole shareholder.

Information on the composition of the company's collegial bodies by gender (GOV-1 21 e) and d))

Board of Directors (5 members in total)

3 (60%) Independent members of the

2 (40%) Board members nominated by shareholders

No employee representatives

2 women (40%) **3 men (60%)**

Distribution by gender

Remuneration and Appointment Committee

1 (50%) Independent committee member

1 (50%) Committee member (nominated by the

No employee representatives

Distribution by gender

1 woman (50%) **1 male (50%)**

Audit Committee

2 (67%) Independent committee

1 (33%) Committee member (appointed by the shareholder)

No employee representatives

1 woman (33%) **2 men (67%)**

Distribution by gender

EPSO-G Board

According to the current version of the EPSO-G Articles of Association, the Board consists of five members. Board members are elected for a four-year term by the General Meeting of Shareholders, to which the Board is accountable. At the request of the general meeting of shareholders, the Remuneration and Appointments Committee makes recommendations on the appointment of board members.

A member of the Board may not serve as a member of the Board for more than two full consecutive terms and, in any case, may not serve as a member of the Board for more than 10 consecutive years.

"We ensure the strategic direction of the entire Group, oversee strategic initiatives, projects and risks, approve key management principles and documents, and ensure transparent, responsible and effective corporate governance."

Robertas Vyšniauskas, Chairman of the Board of EPSO-G

Board members are elected in accordance with Resolution No. 631 of the Government of the Republic of Lithuania of 17 June 2015 on 17 June 2015.

On 24 March 2023, the new EPSO-G board was elected, consisting of three independent members: Robertas Vyšniauskas, Asta Sungailienė and Liudas Liutkevičius, as well as board members delegated by the Ministry of Energy: Dainius Bražiūnas and Tomas Daukantas. In April 2023, independent member R. Vyšniauskas was elected Chairman of the EPSO-G Board, having served as Chairman of the Board in the previous term since February 2022.

Independent board member A. Sungailienė resigned from her position as a member of the EPSO-G board on 27 March 2024, Following a public selection procedure, Rasa Balevičienė was elected to the board by the sole shareholder's decision to fill the vacant position until the end of the current board's term on 18 September 2024.

T. Daukantas, a member of the Board delegated by the Ministry of Energy, was dismissed from the Board on 20 December 2024. On 29 April 2025, civil servant Dovilė Kavaliauskienė was elected to the Board by decision of the sole shareholder.

Responsibilities of the EPSO-G Board:

- formulates the overall corporate governance policy for the Group's companies;
- is responsible for the organisational and systematic development and management of the Group within its area of competence and scope;
- approves the Group's strategy and monitors its implementation;
- supervises and controls the management of strategic projects implemented by the Group's companies that are included in the national energy strategy, projects of special national importance, and economic projects of national importance;
- approves the most important Group-level documents: guidelines, policies, etc.

EPSO-G Board Competence Matrix

When electing the new EPSO-G Board for the new term, a Board competence matrix was drawn up in December 2022. A summary of the competence matrix, revealing the main areas of competence of the Board members, is presented below.

Composition of the Board	Competencies of shareholder-nominated board members		Competencies of independent board members		
	Board member 1	Board member 2	Board member 3	Board member 4	Board member 5
Areas of competence	Implementation of NENS and supervision of strategic national energy projects	Supervision of the energy market, regulation and transmission activities	Finance and investments	Strategy and business development	Infrastructure and technological transformation

Composition of the EPSO-G Board (31 December 2025)



Robertas Vyšniauskas

Chairman of the Board from February 2022 to 20 March 2023 (re-elected from April 2023), independent member of the Board from 24 March 2023, as well as from 20 March 2019 to 20 March 2023).

Education: Mykolas Romeris University, Master of Law

Other positions:

- Vilnius University (legal entity code 211950810), associate professor (main duties)
- Lietuvos geležinkeliai (Lithuanian Railways) (legal entity code 110053842), Chairman of the Board, member of the Remuneration and Appointments Committee.
- KN Energies (legal entity code 110648893), Chairman of the Supervisory Board
- KN Energies (legal entity code 110648893), member of the Audit Committee
- KN Energies (legal entity code 110648893), member of the remuneration and appointment committee
- UAB Vilniaus vystymo kompanija (legal entity code 120750163), member of the audit committee

Experience:

R. Vyšniauskas has gained experience in strategy and business development issues as a member of collegial bodies of various state-owned companies, including Lietuvos geležinkeliai, EPSO-G and KN Energies. Until December 2024, he was the head of the company Valstybės investicinis kapitalas. R. Vyšniauskas is also a consultant on corporate governance, law and taxation, and an associate professor at the Vilnius University Business School.



Liudas Liutkevičius

Independent member of the board since 24 March 2023

Education: Vilnius University, Master's degree in International Finance

Other positions:

- UAB INVL Asset Management (legal entity code 126263073) INVL Renewable Energy Fund I, managing partner (main duties)
- UAB REFI Energy (legal entity code 306284592), Director
- VIA Lietuva, public limited company (legal entity code 188710638), member of the board
- VIA Lietuva, a public limited company (legal entity code 188710638), member of the audit committee

Experience:

L. Liutkevičius has experience in management and work in the energy sector as an expert in infrastructure and technology transformation. L. Liutkevičius has managed the Energy Distribution Operator (ESO), the former Lietuvos Dujos, and has worked in the management teams, boards and supervisory boards of other energy supply, transmission and distribution companies. L. Liutkevičius is currently the managing partner of INVL Renewable Energy Fund I.



Rasa Balevičienė

Independent board member since 18 September 2024.

Education:

- Vilnius University International Business School, Master's degree in Management and Business Administration
- Baltic Institute of Corporate Governance, professional council and board member training programme

Other positions: UAB NIUM EU (legal entity code 304548794), independent board member

Experience

R. Balevičienė has experience in finance and investment. Previously, R. Balevičienė held the positions of CEO and Chair of the Board at two life and non-life insurance companies, Swedbank P&C Insurance AS and Swedbank Life Insurance SE, operating in Lithuania, Latvia and Estonia. She also held the position of Chief Financial Officer at AB Hansabankas and was Director of the Financial Reporting and Accounting Department and Chief Accountant at AB Swedbank.



Dainius Bražiūnas

Member of the Board since 24 March 2023, and from 20 March 2019 to 20 March 2023.

Education: Vilnius Gediminas Technical University, Bachelor of Energy Sciences

Other positions:

- Ministry of Energy of the Republic of Lithuania (legal entity code 302308327), Head of the Energy Security Group (main duties)
- Association Koturnos (legal entity code 301684878), President

Experience:

D. Bražiūnas has many years of experience in the implementation of strategic energy projects and state energy security policy at the Ministry of Energy, as well as working in collegial bodies of strategic energy companies supervised by the ministry. D. Bražiūnas is currently Head of the Energy Security Group at the Ministry of Energy.

D. Bražiūnas does not hold any shares in EPSO-G group companies.



Dovilė Kavaliauskienė

Member of the Board since 29 April 2025

Education

- Vilnius University, Master of Law
- Baltic Institute of Corporate Governance, corporate governance training for representatives of the public sector

Other positions

- Ministry of Energy of the Republic of Lithuania (legal entity code 302308327), Head of the Legal and Personnel Group (main duties)

Experience:

D. Kavaliauskienė has many years of experience in the field of law at the Ministry of Energy. She specialises in lawmaking, human resources management, public procurement coordination, state-owned enterprise issues, and representation in courts and institutions. D. Kavaliauskienė is currently Head of the Legal and Personnel Group at the Ministry of Energy.

Ms Kavaliauskienė does not hold any shares in EPSO-G group companies.

Attendance at board meetings in 2025

During the reporting period, 19 board meetings were held, of which 3 decisions were adopted by written vote.

No	Board member	Attendance at meetings
1	Dainius Bražiūnas	19
2	Dovilė Kavaliauskienė*	12/12
3	Robertas Vyšniauskas	19
4	Liudas Liutkevičius	19/19
5	Rasa Balevičienė	19/19

* D. Kavaliauskienė was elected to the board on 29 April 2025.

Decisions adopted by the Board in 2025

01 JANUARY

On 13 January, the updated EPSO-G Group Strategy until 2035 was approved. The EPSO-G 2025 operational objectives, which are identical to the EPSO-G management objectives, were approved. The EPSO-G 2025 budget was approved.

On 29 January, the Board's performance for 2024 was assessed and a plan for improving the Board's performance in 2025 was drawn up. A decision was taken to join the Lithuanian Diversity Charter Association. The EPSO-G Group's support and humanitarian aid policy was approved. Decisions were made on voting at the EPSO-G Invest general meeting of shareholders. The Group-level risk list was updated.

02 FEBRUARY

On 28 February, the report on the implementation of the company's 2024 performance targets was approved. The procedure for selecting a member of the board of UAB TETAS was initiated. The updated internal audit plan for 2025-2027 for the EPSO-G group of companies was approved. The report on the achievement of the 2024 objectives of the EPSO-G internal audit manager was approved.

03 MARCH

On 12 March, a decision was made on voting at the extraordinary general meeting of shareholders of EPSO-G Invest.

On 31 March, the new version of the Group's policy on material terms and conditions of transactions was approved. The activity reports of the Audit Committee and the Remuneration and Appointment Committee were approved. The Company's and consolidated management report for 2024 was approved, which, among other things, provides information on the implementation of the Company's business strategy. The regular general meeting of shareholders of EPSO-G was convened. Decisions were made on voting at the regular general meetings of shareholders of BALTPOOL UAB, UAB TETAS and Energy cells, UAB. The 2024 report on the implementation of the EPSO-G Group's business strategy until 2030 was approved. A decision was made on voting at the extraordinary general meeting of shareholders of LITGRID.

04 APRIL

On 25 April, decisions were made on voting at the regular general meetings of shareholders of AB Amber Grid, LITGRID AB, and UAB EPSO-G Invest. The new version of the EPSO-G group of companies' compliance management policy was approved. It was decided to invalidate the guidelines for research, experimental development and innovation activities of the EPSO-G group of companies approved by the board. Decisions were made on the evaluation, promotion and remuneration review of the Company's CEO.

05 MAY

On 16 May, a decision was made on voting at the extraordinary general meeting of shareholders of UAB EPSO-G Invest.

06 JUNE

On 2 June, a decision was made to appoint Dovilė Kavaliauskienė to the Remuneration and Appointment Committee until the end of the Board's term of office. A decision was made regarding the decision of the sole shareholder of UAB TETAS. A decision was made on the conclusion of a loan agreement with UAB TETAS. A decision was made on voting at the ordinary general meeting of shareholders of TSO Holding AS. A decision was made on voting at the extraordinary general meeting of shareholders of LITGRID AB. A decision was made on voting at the extraordinary general meeting of shareholders of EPSO-G Invest. The updated list of senior and middle management positions at EPSO-G was approved.

On 27 June, a decision was made on mutual lending and borrowing agreements between UAB EPSO-G and LITGRID AB, AB Amber Grid, UAB TETAS, Energy cells, UAB and BALTPOOL UAB, and a loan agreement with AB Amber Grid. A decision was made on the appointment of an internal audit manager. A new version of the EPSO-G Group Code of Ethics was approved. A new version of the EPSO-G Group Technology Asset Management Policy was approved.

08 AUGUST

On 1 August, a decision was made to approve the new version of the EPSO-G Board Rules of Procedure. The new version of the EPSO-G Group of Companies Partner Code of Ethics was approved. A decision was made on the decision of the sole shareholder of Energy Cells. The updated standard form of the EPSO-G Group company manager's employment contract was approved.

On 19 August, an extraordinary general meeting of EPSO-G shareholders was initiated.

On 29 August, the Group's information security policy and the list of confidential and commercial (production) secrets were approved. A decision was made on voting at the general meeting of shareholders of TSO Holding AS. A decision was made on voting at the extraordinary general meeting of shareholders of AB Amber Grid. A decision was made on the conclusion of a loan agreement between EPSO-G and Swedbank, AB. The new version of the EPSO-G Group's integrated planning and monitoring policy was approved.

09 SEPTEMBER

On 26 September, a decision was made on the adoption of a resolution by the sole shareholder of Energy cells, UAB. A decision was made on voting at the general meeting of shareholders of BALTPOOL UAB. A decision was made on voting at the general meeting of shareholders of LITGRID AB.

10 OCTOBER

On 24 October, a decision was made to initiate the selection of a member of the EPSO-G Remuneration and Appointment Committee and to appoint a member.

On 28 October, a decision was made to approve the updated draft strategy of the EPSO-G group of companies until 2035 and its submission to the Management Coordination Centre. A decision was made on voting at the extraordinary general meeting of shareholders of EPSO-G Invest. The new version of the EPSO-G group of companies' employee remuneration, performance evaluation and training policy was approved. The updated internal audit plan for the EPSO-G group of companies for 2025-2027 was approved.

11 NOVEMBER

On 28 November, the monthly remuneration scales for EPSO-G group employees were approved, effective from 1 January 2026. A decision was made to appoint a member of the TSO Holding board. A decision was made on setting mutual lending and borrowing limits for 2026. A decision was made to conclude a loan agreement with the Nordic Investment Bank.

12 DECEMBER

On 15 December, a decision was made to initiate an extraordinary general meeting of EPSO-G shareholders to select an auditor for the financial statements and set the terms of payment for audit services. A decision was made to approve the organisational structure of EPSO-G ( ), the maximum number of positions and the list of senior management positions. A decision was made on the appointment of a member of the Remuneration and Appointments Committee. A decision was made to initiate the selection of the board of Energy Cells. A decision was made to repeal the EPSO-G group of companies' project management policy. A decision was made on voting at the LITGRID general meeting of shareholders. A decision was made on voting at the extraordinary general meeting of shareholders of BALTPOOL UAB. A decision was made on voting at the extraordinary general meeting of shareholders of Energy Cells, UAB. EPSO-G's risk appetite for 2026 was established and the risk management measures plan was approved. The 2026 activity plans of the Management Board, Audit Committee and Remuneration and Appointments Committee were approved.



EPSO-G Remuneration and Appointments Committee

In accordance with the EPSO-G Articles of Association, the Remuneration and Appointments Committee shall consist of at least three members, who shall be appointed by the Board of Directors from among the candidates selected by it for a term of no more than four years by a reasoned decision. When appointing members of the Remuneration and Appointments Committee, it shall be ensured that the committee includes at least one independent member. The uninterrupted term of office of a member of the Remuneration and Appointments Committee shall not exceed two consecutive terms. The term of office of the committee shall coincide with the term of office of the Board. Only an independent member may be the chair of the Audit Committee.

During the reporting period, the Remuneration and Appointments Committee consisted of: R. Vyšniauskas, Ramūnas Bagdonas (until 31 October 2025), Dovilė Kavaliauskienė (from 2 June 2025) and Liudas Liutkevičius (from 5 November 2025 to 6 January 2026).

"The Remuneration and Appointments Committee ensures effective procedures for the selection and appointment of the Group's collegial bodies and managers, the effectiveness of the remuneration policy system, and provides recommendations on corporate governance standards, succession, independence and diversity systems across the Group."

Robertas Vyšniauskas,
Chairman of the Committee

Responsibilities of the EPSO-G Remuneration and Appointment Committee:

- assists in the selection of candidates for membership of the bodies of all Group companies;
- provides recommendations to Group companies on the appointment of members of management bodies, including sole management bodies – managers, the conclusion of contracts with them and the determination of their remuneration;
- provides recommendations on the Group's corporate governance documents relating to the selection and appointment of members of management bodies and senior executives, and the establishment of independence criteria;
- provides recommendations on the succession system for managers and critical positions in Group companies;
- provides recommendations on the system for strengthening equal opportunities, inclusion and diversity within the Group;
- etc.

Composition of the Remuneration and Appointment Committee (31 December 2025)



Robertas Vyšniauskas

Chairman and independent member **of the Remuneration and Appointments Committee** since 27 September 2024. For more information about R. Vyšniauskas, please see the description of the members of the Board.



Ramūnas Bagdonas

Independent member of the Remuneration and Appointments Committee from 6 June 2023 to 31 October 2025.

Education

- Vytautas Magnus University, Master's degree in Business Administration and Management
- Baltic Management Institute, Master's degree in EMBA programme

Other positions:

- Human Resources Manager at Telia Lietuva (legal entity code 121215434) (main position)
- Founder and Chairman of the Board of the Association of Human Resource Management Professionals (legal entity code 300563101)

Experience:

R. Bagdonas has more than 20 years of experience in various companies in the areas of human resources, personnel management and organisational culture. R. Bagdonas also has experience in collegial bodies of companies. He currently holds the position of Human Resources Manager at Telia Lietuva.

R. Bagdonas does not hold any shares in EPSO-G group companies.



Dovilė Kavaliauskienė

Member of the Remuneration and Appointment Committee since 2 June 2025. For more information about D. Kavaliauskienė, please see the description of the members of the Board.



Liudas Liutkevičius

Independent member of the Remuneration and Appointments Committee from 5 November 2025 to 6 January 2026. For more information about L. Liutkevičius, please refer to the list of Board members.

Attendance at Remuneration and Appointments Committee meetings in 2025

During 2025, 19 meetings of the Remuneration and Appointments Committee were held.

No	Board member	Attendance at meetings
1	Robertas Vyšniauskas	19
2	Ramūnas Bagdonas*	16/16
3	Dovilė Kavaliauskienė*	12/12
4	Liudas Liutkevičius*	1/2

* Committee member R. Bagdonas served on the committee until 31 October 2025, committee member D. Kavaliauskienė was elected to the committee on 2 June 2025, and committee member L. Liutkevičius served on the committee from 5 November 2025 to 6 January 2026.

In 2025, the Remuneration and Appointment Committee adopted the following key decisions and considered the following key issues

01 JANUARY

On 13 January, the list of requirements for the selection of the head of Amber Grid was approved.

02 FEBRUARY

On 6 February, the report on the implementation of the Remuneration and Appointments Committee's 2024 action plan was approved and it was decided to submit it to the EPSO-G Board for approval. The Remuneration and Appointments Committee's activities for 2024 were evaluated and the areas for improvement in the activities of the collegiate bodies of the EPSO-G group of companies for 2025 were approved.

On 28 February, a recommendation was submitted to the Amber Grid Board on the most suitable candidates for the position of Amber Grid CEO.

03 MARCH

On 18 March, the EPSO-G 2024 management report was reviewed insofar as it relates to the Remuneration and Appointments Committee's remit. The issue of reviewing the remuneration of the Group's executives was considered, and the review and update of the Group's financial incentives was discussed. The selection of candidates for the Tetas Board of Directors, nominated by the parent company EPSO-G, was carried out.

04 APRIL

On 10 April, a recommendation was made on the review of the remuneration of the Group's executives, and a recommendation was also made to the EPSO-G Board regarding the nomination of a member of the Tetas Board by the parent company EPSO-G.

05 MAY

On 7 May, the issue of reviewing and updating the Group's financial incentives was discussed, and the plan for selecting the head of Tetas was discussed. The status of interest management, including the independence management system for members of independent collegial bodies, within the Group was discussed. The issue of self-assessment of the activities of the Group's managers and top-level executives was discussed.

On 21 May, the list of requirements for the selection of the head of Tetas was approved.

06 JUNE

On 16 June, a periodic independence assessment of the members of the Remuneration and Appointment Committee was carried out. The standard form of employment contract for Group company managers was discussed, as was the Group's training and development strategy for managers. The selection process for the head of Litgrid was discussed, as was the status of the selection of the head of Tetas.

On 25 June, the status of the selection process for the head of Tetas was discussed.

07 JULY

On 9–10 July, candidates for the position of Tetas CEO were selected and a recommendation was made to the Tetas Board regarding the most suitable candidates for the position of Tetas CEO.

On 24 July, a recommendation was made regarding a standard employment contract for Group companies' managers.

08 AUGUST

On 20 August, the issue of long-term financial incentives was discussed. The list of requirements for the selection of the head of Litgrid was approved and the status of the selection process was discussed. The selection process for the head of Energy Cells was discussed.

09 SEPTEMBER

On 4 September, the status of the selection of the head of Litgrid was discussed. The list of requirements for the selection of the head of Energy Cells was approved, and the status of the selection of the head of Energy Cells was also discussed.

On 16 September, the review and update of the Group's financial incentives and changes to the Group's remuneration policy were discussed. The plan for the selection of the head of Litgrid was discussed.

10 OCTOBER

On 9 October, the updated draft of the EPSO-G Group's employee remuneration, performance appraisal and training policy was approved. Changes to short-term financial incentives were discussed, and the status of the selection of the heads of Energy Cells and Litgrid was discussed. The committee's calendar of regular meetings for 2026 and the committee's activity plan for 2026 were agreed upon. On 23 October, a recommendation was submitted to the EPSO-G board regarding the remuneration scales for the group's employees from 2026. The status of the selection of the head of Energy Cells was discussed.

11 NOVEMBER

On 3-6 November, candidates for the position of Head of Energy Cells were selected and a recommendation was made to the Energy Cells Board on the most suitable candidates for the position of Head of Energy Cells.

On 18–19 November, candidates for the position of Litgrid CEO were screened and a recommendation was made to the Litgrid Board regarding the most suitable candidates for the position of Litgrid CEO.

On 27 November, a recommendation was made on the Group's succession planning. A standard form of employment contract for Group employees was discussed. The performance appraisal of Group company managers was discussed, the status of equal opportunities, inclusion and diversity in the Group was discussed, and the Group's employee remuneration, performance appraisal and training policy report was reviewed.

EPSO-G Audit Committee

In accordance with the EPSO-G Articles of Association, the Audit Committee shall consist of at least three members appointed for a term of no more than four years by the sole shareholder of EPSO-G, taking into account the recommendations of the Remuneration and Appointments Committee, if any. The uninterrupted term of office of a member of the Audit Committee shall not exceed two consecutive terms. Only an independent member may be appointed as Chairman of the Audit Committee.

During the reporting period, two independent members served on the Audit Committee: Rasa Balevičienė and Vytenis Lazauskas. Audit Committee member Dainius Bražiūnas was nominated by the Ministry of Energy.

"The Audit Committee oversees the Group's financial reporting and audit processes, ensures the independence of auditors, monitors internal control, compliance, risk management and internal audit systems, controls non-audit services and evaluates transactions with related parties."

Rasa Balevičienė, Chair of the Committee

Responsibilities of the EPSO-G Audit Committee:

- supervising the preparation of the Group's financial statements and the performance of audits;
- ensures that the Group companies' auditors and audit firms comply with the principles of independence and objectivity;
- oversees the effectiveness of the Group companies' internal control, compliance and risk management, internal audit and operational processes;
- is responsible for controlling the provision of non-audit services by the Group companies' auditor and/or audit firm;
- evaluates transactions with related parties entered into by Group companies whose shares are traded on a regulated market.

Composition of the EPSO-G Audit Committee



Rasa Balevičienė

Chair of the Audit Committee and independent member since 23 October 2024. For more information about R. Balevičienė, please see the description of the members of the



Vytenis Lazauskas

Independent member of the Audit Committee since 23 October 2024.

Education: Vilnius University, Master's degree in Finance

Other positions: Risk Management Director at INVL Asset Management, Member of the Audit Committee at UAB Maxima Group

Experience:

V. Lazauskas has many years of experience in financial auditing and consulting at the international auditing company PwC. He has been working at INVL Group since 2018: until July 2024, he held the position of Group Finance Director, and currently holds the position of Group Risk Management Director.



Dainius Bražiūnas

Member of the Audit Committee since 23 October 2024. For more information about D. Bražiūnas can be found in the description of the members of the Board.

Audit Committee attendance at meetings in 2025

In 2025, 14 Audit Committee meetings and 6 votes by poll were held.

No	Audit Committee member	Attendance at meetings
1	Rasa Balevičienė	14
2	Vytenis Lazauskas	14/14
3	Dainius Bražiūnas	14/14

Decisions adopted by the Audit Committee in 2025

01 JANUARY

On 21 January, a recommendation was made to the boards of EPSO-G group companies on the need to ensure proper cooperation with the EPSO-G group's Internal Audit Department, as well as a recommendation to the EPSO-G board to include priority risks in the 2025 Group-level risk list. The 2025 Audit Committee Improvement Plan was approved.

02 FEBRUARY

On 21 February, the EPSO-G Group's centralised internal audit renewal plan for 2025-2027 was approved and recommended to the EPSO-G Management Board for approval. The report on the achievement of the objectives of the Group's internal audit manager was approved.

03 MARCH

On 5 March, the Audit Committee approved its conclusion on the audited financial statements of Tetas for 2024.

On 12 March, the Audit Committee's conclusion on the audited financial statements of Energy Cells for 2024 was approved.

On 14 March, the Audit Committee's conclusion on the audited financial statements of Baltpool for 2024 was approved.

On 24 March, the Audit Committee's activity report for 2024 was approved.

On 27 March, the audited separate and consolidated financial statements of EPSO-G for 2024 were approved.

04 APRIL

On 7 April, the Audit Committee's conclusions on Amber Grid's separate and consolidated audited financial statements for 2024 and Litgrid's audited financial statements for 2024 were approved.

On 18 April, the new version of the EPSO-G Group's compliance management policy was approved and recommended for approval by the EPSO-G Board. The compliance of independent members of the Audit Committee with independence requirements was approved. The attention of the boards of EPSO-G Group companies was drawn to the need to ensure that the recommendations made by the EPSO-G Group's Internal Audit Department are implemented to the extent and within the time limits specified.

07 JULY

On 21 July, the technical specifications for the procurement of financial statement audit services for the EPSO-G Group for 2026–2028, the minimum qualification requirements for suppliers and the criteria and methodology for evaluating the economic efficiency of tenders, and recommended that the EPSO-G Group's Public Procurement Commission follow the above-mentioned documents when organising the public procurement of financial statement audit services.

08 AUGUST

On 4 August, it was recommended that the EPSO-G Management Board initiate an assessment of the adequacy of the human resources available for the information security function of the EPSO-G Group to ensure the information security of the EPSO-G Group.

09 SEPTEMBER

On 22 September, the Audit Committee delivered its preliminary opinion on the impact of services on independence.

10 OCTOBER

On 21 October, the annual objectives of the EPSO-G Group Internal Audit Manager were approved. It was recommended that the EPSO-G Management Board approve the updated internal audit plan for the EPSO-G Group Internal Audit Unit for 2025-2027.

11 NOVEMBER

On 21 November, the compliance of an independent member of the Audit Committee with the independence requirements was assessed and approved. Recommendations were made to the boards of Litgrid, Baltpool, EPSO-G and Energy Cells on setting the risk appetite for these companies for 2026 and approving risk management plans.

12 DECEMBER

On 12 December, recommendations were made to the boards of Amber Grid and Tetas regarding the determination of these companies' risk appetite for 2026 and the approval of risk management measures plans. The attention of the EPSO-G board was drawn to the need to improve the Group's IT governance, and it was recommended that the board of UAB EPSO-G initiate the adoption of legislation regulating the IT governance of the EPSO-G Group. The report on the conclusions of the EPSO-G Group auditor selection procedures was approved, and it was recommended that the EPSO-G Group's boards propose to the general meetings of shareholders that UAB KPMG Baltics be elected to audit the financial statements for 2026–2028. The draft 2026 activity plan of the Audit Committee was approved and recommended to the EPSO-G Board for approval.

5.2.2. Assessment of the activities and results of collegial bodies

We periodically evaluate the activities of all EPSO-G collegial bodies in order to identify areas for improvement and ensure more effective management of operational processes. These assessments help us to plan specific actions, strengthen strategic control, sustainability, safety and digitalisation priorities, and improve cooperation between the management bodies of the group's companies.

In line with the guidelines approved by the Remuneration and Appointments Committee, at the beginning of 2026, the management bodies of EPSO-G and the Group's subsidiaries, as well as the Group's committees, carried out their 2025 performance assessment. The summarised assessments of each collegial body and Group committee member were discussed at each collegial body meeting. Areas for improvement were identified and directions for improving operational processes were set out, with a coherent action and task plan for 2026.

The results of the self-assessment of the collegiate bodies were summarised by the EPSO-G Remuneration and Appointment Committee. The Committee identified the following key areas for improvement for the collegiate bodies of the group as a whole in 2026:

- EPSO-G EPSO-G group collegiate bodies' focus on geopolitical risks, cyber security and ensuring the efficiency and competitiveness of companies (or customer interests), as well as periodic monitoring of the implementation status in these areas.

On 30 January 2026 At its meeting, the EPSO-G Board assessed the results of the implementation of its 2025 action plan and found that the following areas are being successfully implemented control of strategic projects (including new activities) and risk management in them, control of physical and cyber security projects, the Group's digitalisation, and data protection. After evaluating their activities for 2025, the members of the Board drew up a plan for improving the Board's activities in 2026, in which they identified the following priority areas: review of the management company and the Group's corporate activity model; review of the assumptions of the group's strategy, supervision of investments in accordance with the investment strategy, control of the implementation of digitisation and cyber security plans.

5.3. EPSO-G Management and Responsible Persons

5.3.1 EPSO-G CEO and management team

The head of EPSO-G is appointed by the company's board of directors, taking into account the recommendations of the Remuneration and Appointment Committee. The head of the company is accountable to the EPSO-G board of directors.

The powers of the EPSO-G manager do not differ from those of a company manager as set out in the Law on Joint Stock Companies of the Republic of Lithuania, except for the additional powers provided for in the articles of association. The EPSO-G manager:

- organises and controls the implementation of the Group's strategy, approves the action plan for the implementation of the Group's strategy, and ensures the implementation of the Group's strategy within the limits set by law;
- controls the activities of the Group's companies, submits proposals and conclusions to the EPSO-G Board regarding the organisation and development of the Group's activities;
- implements the recommendations, procedures, policies, codes and other documents approved by the Board of Directors relating to the Group's activities and functioning at EPSO-G, and takes measures within the scope of his/her competence to ensure their implementation in the Group's companies;
- approves procedures, rules, descriptions and other Group-level documents, if the relevant areas of the Group's activities are not regulated by Group-level documents approved by the Board or if the relevant competence is granted to the manager in the relevant Group-level documents approved by the Board;
- etc.

The top management team of EPSO-G consists of:



Mindaugas Keizeris

Head of EPSO-G since 22 August 2022

Education:

- Vilnius University, Master's degree in International Business
- Baltic Institute of Corporate Governance, professional board member training programme

Other positions:

- Member of the Board of Litgrid since 22 December 2022, re-elected for a second term on 30 April 2024.

M. Keizeris does not hold any shares in EPSO-G Group companies.



Darius Kašauskas

Finance Director of the EPSO-G group since 16 January 2023.

Education

- Vilnius University, Master's degree in Economics
- ISM University of Management and Economics, Master's degree in Management
- BI Norwegian Business School, Master's degree in Management

Other positions:

- Chairman of the Board of Tetas since 30 March 2023
- Member of the Board of Amber Grid since 30 April 2024.

D. Kašauskas does not hold any shares in EPSO-G Group companies.



Tomas Varneckas

Head of Infrastructure and Project Management at EPSO-G Group since 9 August 2021.

Education

- Vilnius Tech – Vilnius Gediminas Technical University, Master of Engineering Informatics
- Vilnius Tech – Vilnius Gediminas Technical University, Bachelor of Environmental Engineering

Other positions:

- Member of the Board of Litgrid since 20 April 2022, Chairman since 29 December 2022, re-elected for a second term and Chairman since 22 May 2024.
- Head of EPSO-G Invest since 18 July 2024

T. Varneckas does not hold any shares in EPSO-G group companies.



Simona Augėnaitė

Head of Legal and Corporate Governance of the EPSO-G Group since 1 January 2023.

Education:

- Vilnius University, Master of Law
- Baltic Institute of Corporate Governance, professional board member training programme

Other positions:

- Member of the Supervisory Board of Rheinmetall Defence Lietuva, UAB, since March 2025.

S. Augėnaitė does not hold any shares in EPSO-G group companies.



Simona Grinevičienė

Head of Organisation Development and Culture at the EPSO-G Group since 24 April 2023.

Education:

- Vilnius University, Master of Law
- Vilnius University International Business School, Business Administration
- Baltic Institute of Corporate Governance, Professional Board Member Training Programme

Other positions:

- Chair of the Board of Baltpool since 24 May 2024
- Independent member of the Supervisory Board of European Mechant Bank
- Baltic Institute of Corporate Governance, Chair of the Policy Group

S. Grinevičienė does not hold any shares in the EPSO-G group.



Paulius Butkus

Head of Development and Innovation at EPSO-G Group since 20 February 2023

Education

- Vilnius University, Bachelor's degree in Nuclear Physics
- Vilnius Tech – Vilnius Gediminas Technical University, Master's degree in Electrical Engineering
- Vilnius Tech – Vilnius Gediminas Technical University, Doctor of Electrical and Electronic Engineering
- Baltic Institute of Corporate Governance, professional board member training programme

Other positions:

- Member of the Board of Amber Grid since 17 March 2023, re-elected for a second term and Chairman of the Board since 10 May 2024
- Chairman of the Board of Energy Cells since 11 May 2023
- Member of the Council of the National Energy Association of Lithuania from 28 February 2024 to 2 February 2026.

P. Butkus does not hold any shares in EPSO-G group companies.



Andrius Svobonas

Head of Business Resilience at EPSO-G Group from 2 August 2024 to 1 February 2026.

Education

- Mykolas Romeris University, Master of Law

A. Svobonas does not hold any shares in EPSO-G Group companies. A. Svobonas did not hold any other positions in 2025.

5.3.2 Group Financial Accounting Manager and Head of Internal Audit



Žydrūnas Augutis

Head of Financial Accounting

With more than twenty years of experience in financial accounting and taxation, Ž. Augutis has been the Head of Financial Accounting at EPSO-G Group since April 2019. Before joining EPSO-G, he worked for two years as chief financial officer at the parent company Litgrid and headed the accounting department at Lietuvos dujos (from which Amber Grid was spun off after the separation of transmission activities). From 2017 to 2019, Ž. Augutis served as a member of the board of EPSO-G's subsidiary Tetas. Ž. Augutis holds a master's degree in accounting and auditing from Vilnius University.



Rasa Kislovskienė

Head of Internal Audit

She has been the head of the EPSO-G Group's internal audit department since 14 July 2025, replacing Rasa Juodelytė, who held the position until 1 July 2025. Before taking up this position, R. Kislovskienė was responsible for state audits at the State Audit Office of the Republic of Lithuania for eight years and, for the last nine years, for the activities of the Internal Audit Department at the Special Investigation Service of the Republic of Lithuania, R. Kislovskienė is also an independent member of the Audit and Risk Committee of AB VIA Lietuva and AB Klaipėdos vanduo, as well as chair of the board of the Internal Auditors Association. R. Kislovskienė holds a master's degree in performance auditing from Mykolas Romeris University and also teaches internal auditing at Mykolas Romeris University. R. Kislovskienė holds a Master's degree in Performance Auditing from Mykolas Romeris University and also teaches internal auditing at Mykolas Romeris University.

5.4. Risk Management System

At EPSO-G Group, we follow the Group's risk management policy and risk management methodology approved by the Board. These documents have established a uniform risk management system based on common principles and best practices, in accordance with the COSO ERM (*Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management*) methodology used in international practice.

The risk management policy defines the main principles and responsibilities of our Group's risk management, helping to ensure a unified and common risk management process for companies. This policy is available on the EPSO-G website.

The risk management policy defines the company's risk appetite – the level of risk that does not exceed the highest level of risk. Its level (the product of probability and impact, indicating the significance of the risk to the company) is equal to or exceeds 15 points or is accepted by the EPSO-G management bodies in order to implement the planned strategy and achieve the set operational objectives. We apply additional management measures to risks that exceed the established risk appetite.

Risk management process (stages) applied in the Group



1. Environmental assessment: based on EPSO-G's internal and external environment, planning documents, historical risk assessment results and the implementation of risk management measures, we identify aspects that may affect the company's failure to achieve its objectives. By periodically assessing the environment, we seek to adapt to changes and prepare in advance for unforeseen threats.

2. Risk assessment: we regularly identify, analyse and assess EPSO-G risks, determine their key indicators and compile a list of them. We also determine the risk appetite, according to which we prioritise the risks indicated in the risk list (taking into account their level).

3. Development of a risk management plan: we develop an EPSO-G risk management plan for risks that exceed the risk appetite.

4. Monitoring the implementation of the risk and risk management measures plan: we continuously monitor the implementation of the EPSO-G risk list and risk management measures plan, as well as the list of Group-level risks and their management measures. We regularly submit the monitoring results to the EPSO-G manager, the board of directors and the audit committee, according to their respective competences.

5. Communication and information: we regularly and promptly share information among participants in the risk management process that has an impact on the assessment of the risks of the Group's companies and their management. We communicate relevant information about risks and their management to EPSO-G employees through staff meetings.

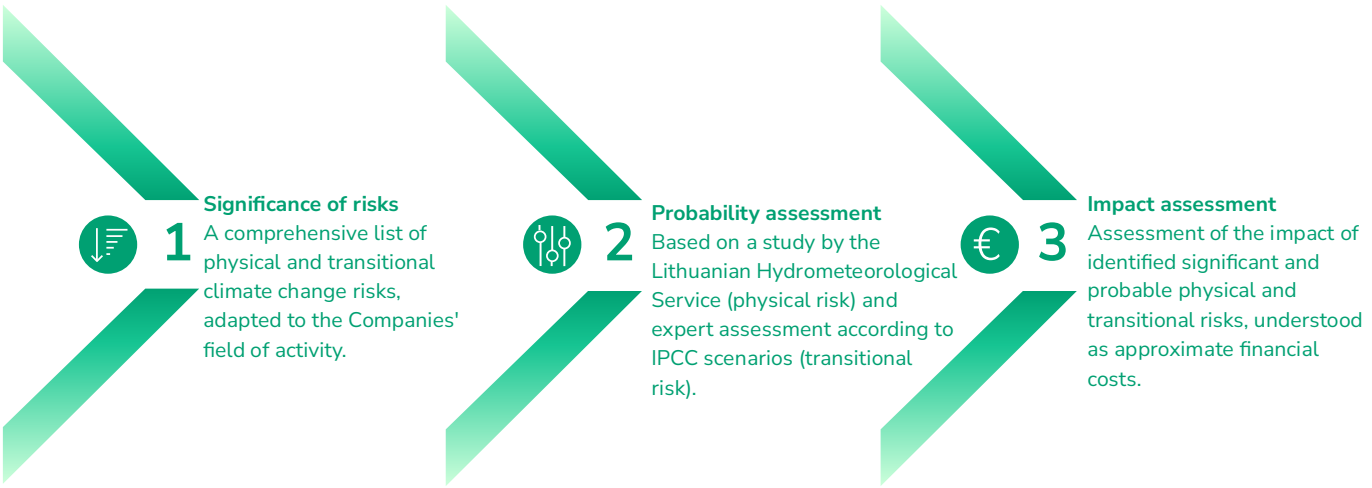
5.4.1. Climate change risk assessment process

Taking into account the importance of climate change challenges in the energy sector, EU regulations (Taxonomy Regulation, European Sustainability Reporting Standards (ESRS), etc.) related to the disclosure of climate change risks in 2023 The assessment was carried out by the Group in accordance with the Group's analysis of climate-related financial risks and opportunities. medium (by 2030) and long (by 2050) term periods. The assessment was carried out in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We assessed physical (probability of extreme events affecting infrastructure, buildings, offices) and transitional risks (regulatory, technological, transition)

We assessed physical (probability of extreme events affecting infrastructure, buildings, offices) and transitional risks (regulatory, technological, reputational, market, public pressure) related to climate change and developed measures and indicators to manage these risks.

Climate-related issues fall within a broad spectrum of sustainability topics, and we have integrated them into the Group's decision-making process.

Climate change risk assessment process



We assessed climate risks using the scale set out in the EPSO-G Group's risk management methodology. We defined the impact of risks as the financial impact on income. We carried out the assessment at the level of each Group company and summarised the results in the Group analysis.

5.4.2. Key risks and their management

We identified the operational risks for 2025 in the EPSO-G Group companies, assessed them, established risk monitoring indicators and planned risk management measures. Detailed information is available in section 5.4.3.

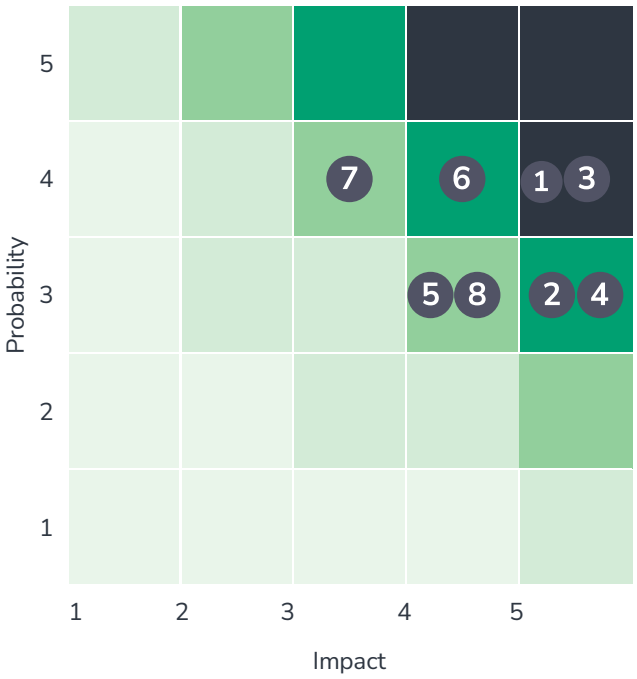
The Group also pays considerable attention to the management of financial risks, which is governed by the Group's publicly disclosed Treasury and Financial Risk Management Policy. More information on credit, liquidity and interest rate risk management is disclosed in Note 36 to the Consolidated and Company Financial Statements. During the reporting period, the Group did not enter into any derivative financial instrument transactions to manage interest rate fluctuation risk. Further information on other derivative financial instruments of the Group is disclosed in Note 9 to the Consolidated and Company Financial Statements.

We assess sustainability risks in the Group as an integral part of the daily activities of the EPSO-G Group and have integrated them into the risk management process. We assess whether the risks meet the criteria specific to sustainability risks. Risks that meet these criteria are classified as risks of the relevant sustainability area.

In the case of climate risk assessment, due to the risk management measures currently in place and adapted within the Group, physical and transition risks are identified as medium or low risk. Recognising the importance of these risks and pursuing sustainability goals, we pay particular attention to managing these risks, improving disclosure and integrating risk-related opportunities into our business strategy. More detailed information on sustainability (and climate) risks is disclosed in sections 8.2.1 "Disclosure of information in accordance with the EU Taxonomy Regulation" and "E1 Climate change" of the Sustainability Report.

Group risk map

USA	**1**	**Risk of strategic project delays**	■
USA	2	Risk of regulatory changes	▲
	3	Risk of disruption to systems used in core operations	▲
US	4	Risk of non-compliance with employee safety requirements	▲
USA	5	Cyber and physical security risk	▲
	6	Risk of failure to implement the budget of the Group companies	■
USA	7	Risk of failure to achieve GHG emission reduction targets	▼
USA	8	Risk of failure to achieve defence industry project targets	▲



ESG – environmental, social and governance

Risk level change trends:

- ▲ Increasing
- ▲ ■ Unchanged
- ▼ Decreasing

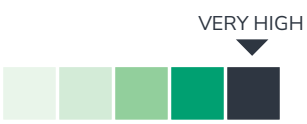
Risk level (RL) assessment scale:

Very high	20
High	15
Moderate	10
Low	5
Very low	0

5.4.3. Detailed description of group risks

1. Risk of strategic project delays

Risk level



Risk factors

External – technological

Internal – processes

Impact of risk

On finances, reputation, business continuity

US type

Governance

Risk area

Project management

Risk description

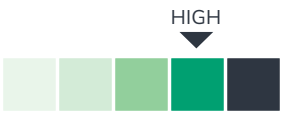
EPSO-G implements complex, large-scale projects set out in national strategic planning documents, which are crucial for the development of Lithuania's energy system, the smooth integration of renewable energy sources, and the creation of additional opportunities for market participants to choose climate-neutral energy. Delays in state and Group projects have a negative impact on the achievement of the company's and/or strategic objectives.

Management measures

- EPSO-G Group companies, together with the Group's PMO (Project Management Officer), monitor and control state projects.
- We apply continuous (passive and active) control measures – automated monitoring of state and Group project reports and KPIs, active involvement in risk management and problem solving.
- Our companies, together with the Group's PMO, participate in programme, project team and project implementer and contractor meetings, joint problem solving and risk assessment.
- We conduct project process audits, during which we review risks, problems, benefits, schedules, and compliance with approved processes in detail.

2. Risk of regulatory changes

Risk level



Risk factors

External – economic, political

Internal – personnel

Impact of risk

Finances, reputation, business continuity

US type

Governance

Risk area

Regulation

Risk description

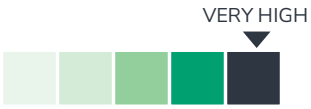
The prices of electricity and natural gas transmission and related services are regulated, with price and/or revenue caps set by NERC. These decisions have a direct impact on the operating results of our group companies and the funds allocated to cover necessary operating costs and investments to maintain the reliability of the transmission network, as well as the ability to finance strategic projects from own or borrowed funds.

Management measures

- In order to achieve clear and consistent regulation that would not have a negative impact on operating results, our companies actively communicate with NERC, participates in discussions on draft legislative amendments, and provides comments on their improvement, arguing the impact of future decisions and the importance of long-term strategic corporate goals. Proactive cooperation with NERC will be particularly important when coordinating solutions related to the costs of climate neutrality activities.

3. Risk of disruption to systems used in core activities

Risk level



Risk factors

External – political, technological

Internal – personnel, infrastructure

Impact of risk

Finances, reputation, business continuity

US type

-

Risk area

Electricity and natural gas system management

Transmission system asset management

Risk description

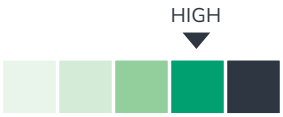
One of the most important functions and responsibilities of our Group companies is to ensure the safe, reliable and efficient operation of natural gas and electricity transmission systems. In managing technological risk, we seek to avoid operational disruptions and disconnections of natural gas or electricity to consumers.

Management measures

- In order to ensure the reliable operation of transmission systems, we implement specialised information systems and modern business management systems in the Group's companies, continuously update our plans for the elimination of accidents and technological disruptions, emergency management and business continuity, and set high requirements for contractors.
- In order to avoid disruptions in the operation of transmission systems, we continuously monitor the systems, draw up maintenance plans accordingly and plan the necessary new investments in network upgrades in a timely manner.

4. Risk of non-compliance with employee safety requirements

Risk level



Risk factors

Internal – personnel

Impact of risk

Human health, finances, reputation

US type

Social responsibility

Risk area

Employee safety

Risk description

We pay great attention to occupational safety at the Group's companies. Taking into account the applicable and most relevant occupational safety requirements and the current implementation situation, there is a risk that occupational safety and health (OSH) requirements will be violated.

Control measures

- We set up proper workplaces and do timely maintenance and checks on systems, equipment, and work tools.
- We have approved internal documents regulating employee safety and health.
- We provide training, certification and instruction for employees on safety and health issues.
- We carry out continuous control and supervision of the implementation of OHS requirements by employees and contractors.

5. Cyber and physical security risks

Risk level



Risk factors

External – technological

Internal – personnel

Impact of risk

Finances, reputation, business continuity

US type

Governance

Risk area

Information security

Risk description

The information and data we manage are of strategic importance to Lithuania's security. Therefore, the loss, unlawful alteration or disclosure of such information and/or data, damage to it or disruption of the systems necessary for secure data transmission may cause disruption to the activities of the EPSO-G group of companies and cause damage to other natural and legal persons.

Control measures

- In order to prevent cyber incidents, we regularly assess the information systems, physical security and security management systems of the EPSO-G group companies, constantly update existing security measures, systems and/or tools, and implement new ones (in accordance with the strict requirements set out in EU and Lithuanian legislation regulating information security).
- Our employees actively participate in cyber security exercises, during which they learn how to manage and counter cyber incidents targeting critical information systems and networks and how to ensure the functioning of the services they provide.

6. Risk of non-implementation of the Group companies' budget

Risk level



Risk factors

External – economic

Internal – processes, personnel

Impact of risk

Finances, reputation

US type

-

Risk area

Financial management

Risk description

There is a risk that our Group companies will not meet their budget or financial plan, which will have a negative impact on the ability of specific companies and EPSO-G as a Group to meet their obligations and covenants and other financial commitments, as well as to pay dividends.

Management measures

- Control of financial results (monitoring by EPSO-G and boards) is part of the integrated planning and monitoring policy.
- In the case of regulated activities, we provide comments and proposals on decisions related to cost recognition and methodology changes, and formulate a common position for the Group.
- In the case of non-regulated activities, we review and amend the business plan as necessary.

7. Risk of not achieving GHG emission reduction targets

Risk level

MEDIUM



Risk factors

Internal – processes, personnel

Impact of risk

Environmental, reputation, financial

US type

Environmental

Risk area

Environmental

Sustainability development

Risk description

Due to untimely or inaccurate collection and reporting of sustainability-related indicators, inaccurate calculation of GHG emissions generated by the Group's activities, or delays in submitting reports on the fulfilment of obligations to institutional investors, sanctions may be imposed by the regulatory authorities supervising the stock exchange, and financial penalties may be imposed for failure to fulfil obligations to investors. There is also a risk that if the regulator does not approve the necessary investments in measures to reduce environmental impact (GHG emissions) due to regulatory restrictions or economic unviability, our long-term strategic goals and commitments (sustainability indicators) related to the bonds issued will not be achieved.

Management measures

- We have provided Group companies with a list of environmental, social and governance (ESG) indicators to be collected. We are also implementing additional measures – we are developing an ESG system (IT solution) for the timely collection of sustainability-related indicators.
- We have obliged the Group's companies to prepare and implement economically sound environmental impact reduction plans and related measures.

8. Risk of not achieving the objectives of the defence industry project

Risk level

MEDIUM



Risk factors

External – technological

Impact of risk

Finances, reputation

US type

Governance

Risk area

Strategic

Risk description

We participate in national security and defence industry projects, contributing to strengthening the country's resilience and independence.

There is a risk that, due to external factors, the implementation of a project in the defence industry will not meet expectations.

Management measures

- We maintain dialogue with our partner.
- We monitor applicable legislation to avoid any significant negative impact on the company's activities.

5.5. Compliance, Anti-corruption Activities and Conflict of Interest Management

5.5.1. Compliance management

Our group operates a compliance management system based on a three-line defence model and a risk-based approach.

The objectives of the Group's compliance management system are:

- to protect our Group companies from financial or reputational damage that may arise from conduct that does not comply with internal and external
- to manage compliance risks, reduce their impact and likelihood of occurrence
- to promote a culture of compliance (to encourage our employees to work in accordance with established requirements and to base their

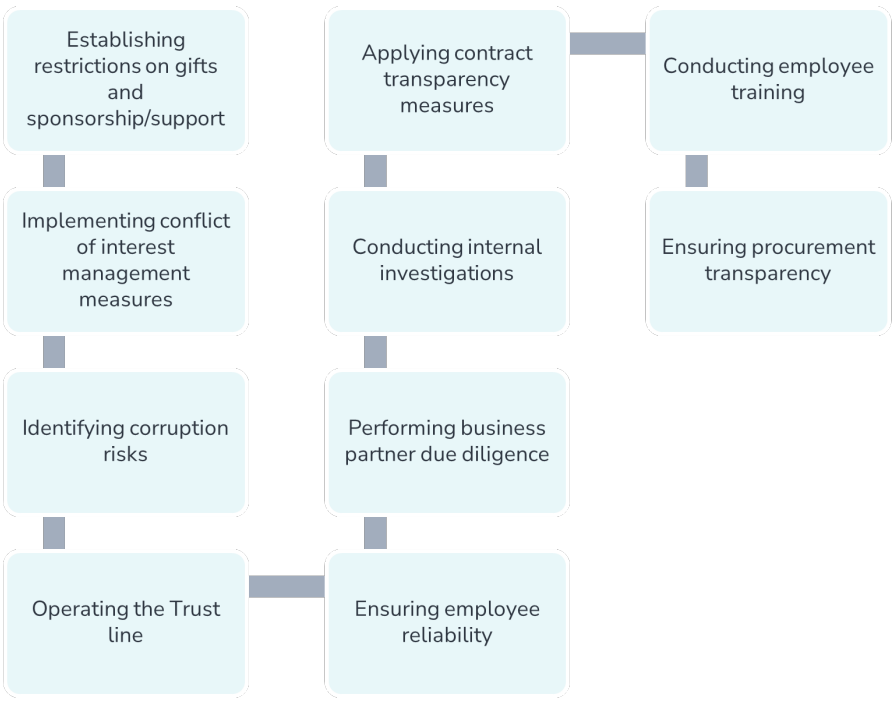
Compliance activities within our Group are governed by the Compliance Management Policy. On 25 April 2025, the EPSO-G Board approved a new version of the Compliance Management Policy, which established a three-year compliance management programme and the preparation of annual compliance management plans for the Group's companies. This policy clarifies and supplements the main compliance management processes and specifies the responsibilities of the entities involved in compliance management.

In 2025, we implemented the planned actions of the Group's Compliance Management Programme for 2025–2027. We organised training for compliance management experts to raise their level of expertise in the field of compliance management. To ensure more effective management of compliance-related information, we introduced a Group-wide Compliance Management Register. We improved the monitoring of external legislation applicable to Group companies – we compiled lists of such external legislation, prepared internal legislation regulating the monitoring of this legislation, and assigned persons responsible for monitoring. We continued to strengthen the area of personal data protection – we prepared interactive personal data protection training courses and approved a common form for recording personal data processing activities for Group companies.

0 - Significant non-conformities identified during compliance audits conducted at Group

5.5.2. Anti-corruption activities

At EPSO-G Group, our business decisions are based on the principles of objectivity, impartiality, openness, accountability and the rule of law, as well as the Group's policy of zero tolerance for corruption and any behaviour related to corruption. We strive to create a transparent and trust-based Group, therefore we continuously assess corruption risks and implement measures to manage these risks. Our Group's anti-corruption activities are based on the international standard ISO 37001:2016 "Anti-bribery management systems. Requirements and guidance for use" and the following measures, which we apply in the Group's companies:



In 2025, as every year, we assessed the potential risks related to corruption in the Group's companies in accordance with the Group's risk management policy and methodology. Following the assessment, we identified the following corruption-related risks in the Group's companies:

- Risk of corruption-related violations;
- Risk of improper management of conflicts of interest;
- Risk of hiring persons who do not meet legal requirements.

We planned management actions for the identified risks, which we assessed periodically, once a quarter. We reviewed risk levels and key risk indicators once a month.

In 2025, we set the following key anti-corruption objectives for the Group's companies:

a) to review and update internal legislation governing the Trust Line;
b) ensure that provisions on reporting additional activities are included in internal legal acts.

In 2024, three Group companies – Litgrid, Amber Grid and EPSO-G – were issued certificates by an international management system certification body confirming that the anti-corruption management systems implemented in these companies comply with the requirements of the aforementioned standard. In 2025, surveillance audits of the issued certificates were carried out at the companies to verify that the anti-corruption management system implemented complies with the standard. The anti-corruption management systems of these companies were found to be effective.

In 2025, as every year, we conducted an anti-corruption culture survey among the employees of the Group's companies. The number of employees participating in the survey remained similar to previous years (465 in 2025, 456 in 2024, and 465 in 2023). The results of the main survey questions have been consistently positive for several years in a row.

Results of the survey on the tolerance of corruption among the Group's employees

96%

Group employees who have not encountered corruption at work

94%

Group employees who say they know where to report cases of corruption

The main anti-corruption indicators and information about the Trust Line are provided in section 8.4 of the Sustainability Report on governance. More information about the EPSO-G Group's anti-corruption policy is available on the EPSO-G website.

5.5.3. Anti-corruption activities abroad and with foreign entities

EPSO-G's anti-corruption activities are focused on managing corruption risks in Lithuania and abroad. Company employees who cooperate with foreign officials or operate in foreign countries must base their activities on the zero tolerance for corruption and other anti-corruption principles set out in the anti-corruption policy. The anti-corruption policy of the EPSO-G group of companies is available on the EPSO-G website.

0 **In 2025, no cases of bribery of officials, corruption or other manifestations of corruption abroad or in Lithuania were identified in EPSO-G or the Group's companies when concluding international business transactions.**

5.5.4. Management of conflicts of interest

The EPSO-G Group's governance system encourages Group company employees and members of collegial bodies to avoid conflicts of interest and ensures a transparent and effective mechanism for disclosing conflicts of interest. The Group has an integrated model for declaring private interests, as defined in the policy on managing conflicts of interest among employees and members of collegial bodies. Under this model, all private interests of the Group's employees and members of collegial bodies are disclosed in an internal declaration form established by the Group and, where applicable to their duties and functions, in the PINREG Private Interest Disclosure Register. More information about the EPSO-G interest management policy is available on the EPSO-G website.

The Group actively monitors, controls and supervises private interests – we assess potential conflicts of interest during the application process, review declarations and analyse the data provided therein, and provide recommendations on how to manage potential conflicts of interest and on which actions and/or decisions must be recused from.

In implementing the interest management policy for employees and members of collegial bodies and in order to ensure the proper functioning of the conflict of interest management system, in 2025, we prepared a description of the Group's interest management procedure, in which we established a uniform implementation of the conflict of interest management system in the Group's companies.

At the end of the reporting period:

- Members of collegial management bodies and heads of Group companies have not acquired shares in EPSO-G Group companies, with the exception of Nemunas Biknius, head of Amber Grid, who holds 0.001055% of Amber Grid shares. The number of shares he held remained unchanged during the reporting period.
- The declarations of private interests of all members of the Group's collegial bodies and heads of Group companies are submitted and published in the private interests register (PINREG) on the website of the Chief Official Ethics Commission and at www.epsog.lt.
- We have not identified any potential conflicts of interest between the duties of members of collegial management bodies and managers of Group companies to the EPSO-G Group and their private interests and/or other duties.
- Members of collegial management bodies and managers of Group companies had no family ties with each other.
- Members of collegial management bodies and managers of Group companies had not been convicted of any criminal offences, no regulatory authority had brought charges against them or imposed sanctions on them in the last five years, and no court had prohibited them from performing the duties of a member of the company's administrative, management or supervisory bodies or from performing managerial duties or managing the affairs of any issuer.
- EPSO-G has not entered into any transactions with the above persons that are not related to the company's core business or that have not been duly reported to EPSO-G's collegial management bodies and approved by them.

5.6. Audit and Financial Reporting

5.6.1. Information on internal audit

The goal of EPSO-G's internal audit is to create added value for all Group companies and contribute to the achievement of their operational goals by systematically and comprehensively assessing the effectiveness of management, risk management and control processes. We perform these functions by carrying out independent and objective assurance and consulting activities.

Since 2017, the EPSO-G group of companies has had a centralised internal audit function at group level. This creates conditions for a more rational distribution of audit resources and competencies and the consistent application of uniform audit and accountability principles.

The internal audit department of the EPSO-G group of companies reports directly to the EPSO-G board, which is composed mainly of independent members, and the auditors are not subordinate to the management of the audited company. The effectiveness of internal audit activities is monitored by the Audit Committee. This helps to ensure the independence and objectivity of the internal audit.

"Our internal audit is not just about checks, but also about helping to make better decisions, strengthening management and ensuring that every company in the Group operates even more smoothly."

Rasa Kislovskienė,
Head of Internal Audit at EPSO-G

Assurance activities

In performing their duties, the division's employees conduct internal audits on a planned basis and regularly monitor the implementation of internal audit recommendations and the impact of the actions taken. Internal audit conclusions with recommendations for areas for improvement are submitted to the management of the audited companies, the boards of the Group companies, the EPSO-G board and the Audit Committee.

In 2025, the activities of the Internal Audit Division covered the following areas, which were selected based on a risk assessment and the identification of priority companies and processes to be audited, as well as taking into account the recommendations of the Audit Committee and the EPSO-G Board:

- Procurement and contract management
- Ensuring the compliance of equipment installed in the network
- Management of the connection process for renewable energy producers
- Planning and management of investments in the transmission network and information systems

The results of monitoring the implementation of the 2025 recommendations show progress and cooperation between the management teams of the audited companies in strengthening corporate governance, risk management and internal control.

Consulting activities

We assessed the effectiveness of the internal control system in all Group companies, identifying the strengths and weaknesses of the system, discussing them with the management boards of the respective companies and planning actions to strengthen internal control. We assess the overall effectiveness of the internal control system as strong.

5.6.2. Information on external audit

In 2026, Amber Grid, a company of the EPSO-G Group, conducted a joint public procurement of financial statement audit services for the Group's companies for 2026-2028 through a negotiated tender. Based on the results of the public procurement of audit services, the bid submitted by KPMG Baltics, UAB was selected as the winner.

The EPSO-G audit committee, having evaluated the results of the audit firm selection procedure, decided to recommend to the boards of the Group companies that they propose to their general meetings of shareholders to elect KPMG Baltics, UAB, to audit the financial statements for 2026–2028, paying the price for audit services specified in the offer of this audit firm.

The general meetings of shareholders of the Group companies decided to elect KPMG Baltics, UAB as the audit firm for the 2026–2028 financial statements and to set the annual remuneration for the audit services of the financial and related reports specified in the audit firm's proposal.

Information about the external audit firms of EPSO-G group companies and the prices of their audit services

Company	Company that audited the 2025 financial statements	Audit firm's remuneration for the audit of the 2025 financial statements, EUR (excluding VAT)	Company that audited the 2024 financial statements	Audit firm's remuneration for the audit of the 2024 financial statements, EUR (excluding VAT)
EPSO-G	UAB Pricewaterhouse Coopers	105,000	UAB Pricewaterhouse Coopers	100,000
Litgrid		85,000		85,000
Amber Grid		75,000		75,000
Baltpool		19,000		19,000
Tetas		33,000		32,000
Energy cells		17,000		17,000

PricewaterhouseCoopers provided non-audit services to EPSO-G group companies in the amount of EUR 75,746 in 2025 and EUR 64,950 in 2024. Non-audit services included financial assurance services for banks, sustainable performance observation services, and regulated activity report verification services. The services were purchased in accordance with the EPSO-G group of companies' policy on the purchase of non-audit services from an audit firm or any network to which the audit firm belongs.

5.7. Shareholders

The sole shareholder of EPSO-G is the Republic of Lithuania (holding 100% of shares), whose property and non-property rights are exercised by the Ministry of Energy of the Republic of Lithuania, represented by the Minister of Energy of the Republic of Lithuania, in accordance with point 2.3 of Resolution No. 826 of the Government of the Republic of Lithuania of 4 July 2012 "On the Establishment of a Closed Joint-Stock Company and Investment of State Property", are exercised by the Ministry of Energy of the Republic of Lithuania, represented by the Minister of Energy of the Republic of Lithuania.

There were no changes in the shareholder structure of EPSO-G in 2025.

On 31 December 2025, the authorised capital of EPSO-G was EUR 189,631,000.

Company shareholder	Number of shares	Nominal value of shares, EUR	Share capital, EUR	Controlled share of capital
Republic of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania	653,900,000	0.29	189,631,000	100

EPSO-G shares are not subject to any restrictions on the transfer of securities other than those provided for in legislation. Neither EPSO-G nor any of the Group's companies have issued convertible securities. EPSO-G has not acquired any of its own shares. During the reporting period, EPSO-G did not acquire or transfer any of its shares. The Company's subsidiaries have also not acquired any shares in the Company. EPSO-G shareholders do not have any special control rights other than those provided for in the laws of the Republic of Lithuania.

The shares of Litgrid and Amber Grid, which are subsidiaries of EPSO-G, are traded on the Nasdaq Vilnius stock exchange.

Company	ISIN code	VP abbreviation	Trading list	Securities manager
LITGRID AB	LT0000128415	LGD1L	BALTIC SECONDARY LIST	AB SEB Bank
AB Amber Grid	LT0000128696	AMG1L	BALTIC SECONDARY LIST	AB SEB Bank

In June 2022, EPSO-G issued sustainability-linked bonds, which are listed on the Nasdaq Baltic Debt Securities List.

The securities of other companies managed by EPSO-G are not traded on the stock exchange.

5.7.1. Dividend policy

EPSO-G's dividend policy, which regulates the determination of dividend amounts, their payment and announcement for all companies within the Group, sets clear guidelines for existing and potential shareholders on the expected return on equity and investment, while ensuring sustainable long-term growth in the value of the companies, the timely implementation of strategic projects important to the country, and the targeted strengthening of confidence in the entire Group of energy transmission and exchange companies.

EPSO-G's dividend policy directly links the amount of dividends payable to the efficiency of the company's use of equity capital – the greater the benefit the company creates for its shareholders, the greater the share of profits it can allocate to further development or the implementation of other important projects.

The dividend policy is published on the EPSO-G website.

5.7.2. Dividends

In accordance with Resolution No. 208 of the Government of the Republic of Lithuania of 29 March 2023 "On dividends paid by UAB EPSO-G for shares owned by the state", EPSO-G must pay dividends amounting to 0.5% of its distributed profit directly to the state budget until 2026, provided that the conditions set out in the resolution are met.

Based on the Resolution of the Government of the Republic of Lithuania, EPSO-G paid EUR 392 thousand in dividends directly to the state budget for 2024 (EUR 196 thousand for 2023), while ensuring a more sustainable financial position for the group.

5.7.3. Legal disputes and uncertainties

Information on legal disputes and uncertainties is disclosed in section 12.6 of the consolidated and separate financial statements.

06 Our Employees and Remuneration Policy



6.1. Employees and their Composition
6.2. Remuneration Policy and Monitoring
6.3. Information on Employee Remuneration
6.4. Information on Remuneration of Members of Collegial Bodies

6. Our Employees and Remuneration Policy

6.1. Employees and their Composition

At EPSO-G Group, we base our activities on openness, responsibility and reliability – values that help us build a harmonious, professional and future-ready organisation. Our people are our greatest strength: their competence, initiative and determination to make a difference contribute every day to the country's energy independence and the development of sustainable infrastructure. In their work, EPSO-G Group employees are guided by core values: openness, responsibility and reliability. You can find out more about EPSO-G's values in section 3.1 of this report.



We strive to ensure that every employee finds meaning in their work, has opportunities for growth and feels a sense of partnership with the organisation. We invest in continuous learning, strengthening leadership, an enabling culture and modern work tools.

The 2025 employee engagement survey confirmed that EPSO-G has a high level of employee engagement, strong interpersonal relationships and a trust-based working environment that encourages cooperation and the pursuit of common goals. These results show that employees value the organisation's culture and internal communication and feel empowered to contribute to the Group's goals.

By creating an inclusive, united and progressive environment, we empower our people to pursue not only the organisation's goals, but also the energy future goals of the entire country. We manage our resources and salary budget responsibly, ensuring fair, competence- and results-based remuneration and additional incentives for achieving ambitious goals.

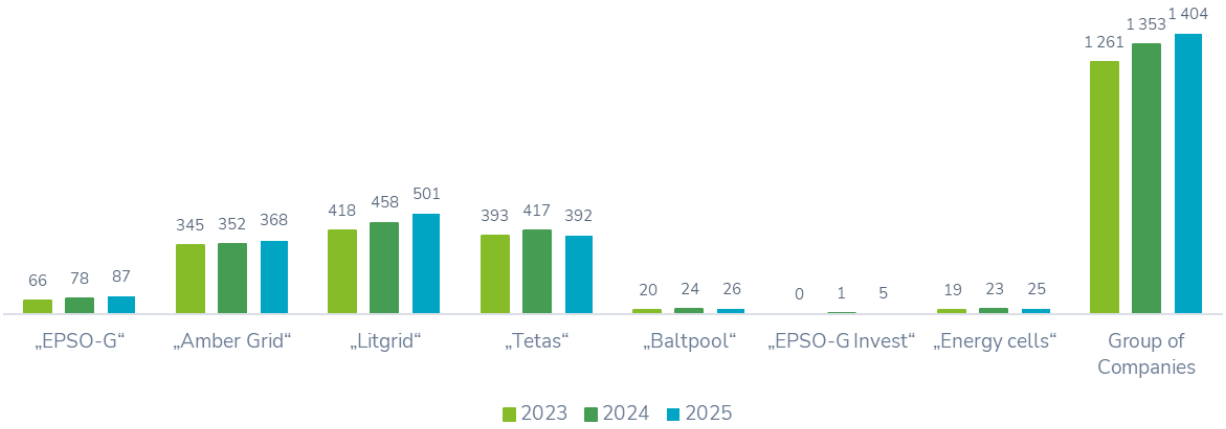
More information about employee performance evaluation and its processes can be found in section 8.3 of the Sustainability Report.

"After evaluating the results of the 2025 employee engagement survey, we see a clear signal – our people feel a sense of purpose in creating value for the organisation and for Lithuania. This obliges us to consistently strengthen the environment in which it is good to work and grow."

Edita Znutienė, Head of People and Culture at EPSO G

6.1.1. Information on the number of employees and their positions

Number of Employees in the Group of Companies and Individual Companies, 2023–2025



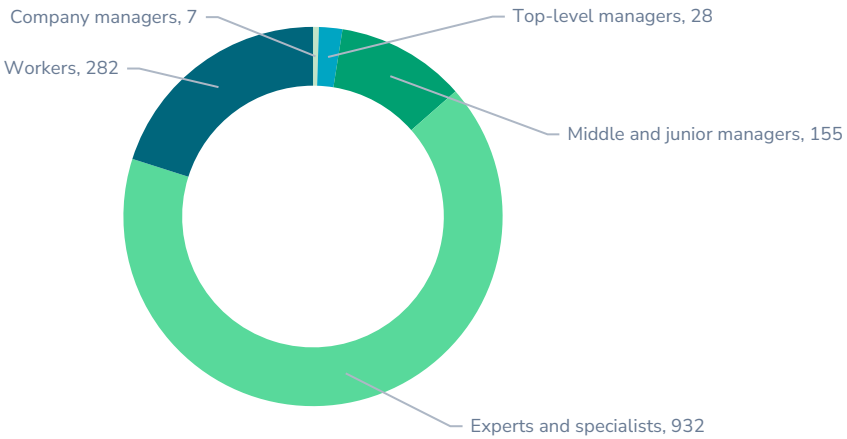
The number of employees in the graph and in the tables and text below is presented as a list (not in full-time equivalents) until 31 December 2025. The number of employees in the chart and other parts of this report is presented as a headcount (not full-time equivalents) as of December 31, 2025. This means all employees employed under employment contracts at the end of the reporting period, regardless of their full-time equivalent. The figure includes employees who are temporarily absent (e.g., due to pregnancy and childbirth, paternity, childcare, illness, military service, or other leave), as well as interns with employment contracts.

EPSO-G Invest was established on 18 July 2024.

All employees were hired in Lithuania; there are no employees hired abroad. We forecast that the number of employees will grow by more than 20% over the next 10 years. We hope that in the long term we will attract not only Lithuanian but also international experts to our team, so the geographical location of the organisation is likely to expand.

Our team is expected to grow by 20% over the next 10 years

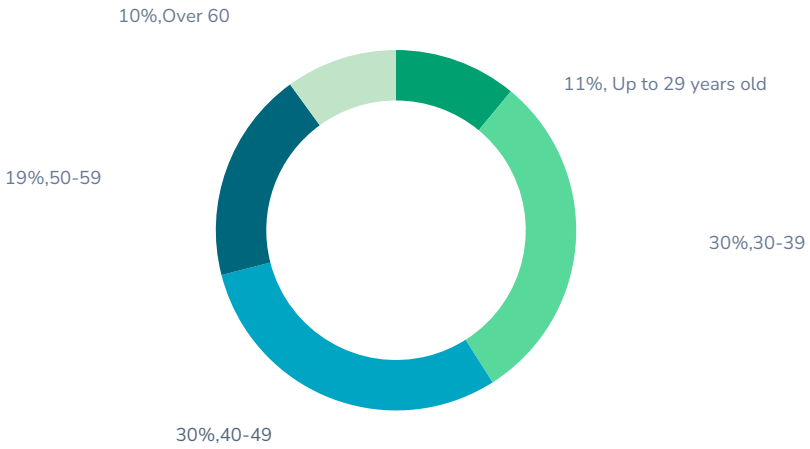
Breakdown of EPSO-G staff by function group on 31 December 2025



On 31 December 2025, the distribution of all EPSO-G group employees by job category will be as follows: 7 company managers, 28 top-level managers, 155 middle and primary-level managers, 282 workers, 932 expert specialists (the largest group).

6.1.2. Information about the composition of employees

Distribution of employees by age group as of 31 December 2025.



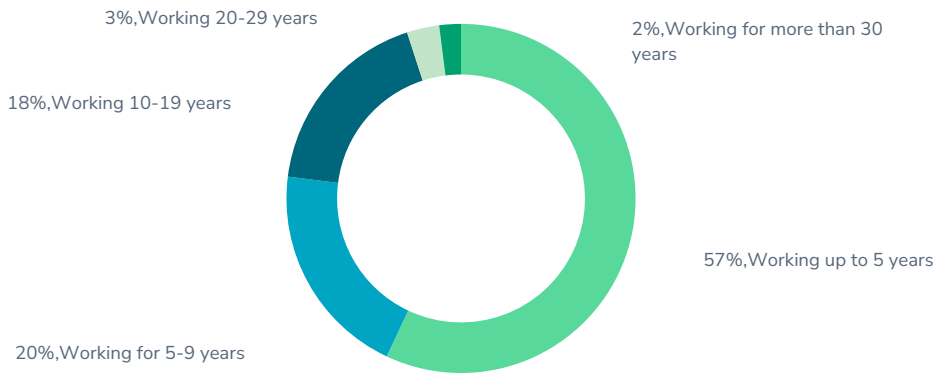
The situation was similar in 2025 – 60% of employees were in the 30–50 age group. Employees over 50 accounted for 29% of the workforce, while those under 30 accounted for 11%. In 2024, 61% of employees were in the 30-50 age group, 28% were aged 50 and over, and 11% were under 30.

The distribution of employees by age is determined by the high qualifications required for most jobs, so at EPSO-G we strive to retain professionals in our fields by providing them with favourable and motivating working conditions until retirement. We actively cooperate with educational institutions and seek to attract young specialists to the energy sector and careers in it, ensuring the succession of employees in various fields.

Number of employees by length of service

On 31 December 2025, the distribution of all EPSO-G Group employees by length of service was as follows: 57% of employees (811) had up to 5 years of service, 20% of employees (277) had 5-9 years of service, and 18% of employees (247) had 10-19 years of service. The remaining employees fall into the long service groups: 3% of employees (38) had 20-29 years of service and 2% of employees (31) had more than 30 years of service. These indicators have not changed significantly compared to previous years, and the distribution by length of service in the EPSO-G group remains stable.

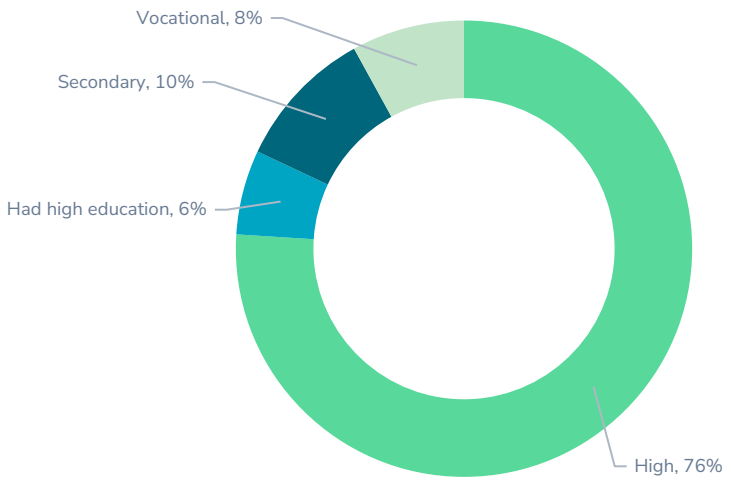
Distribution of employees by length of service as at 31 December 2025.



Distribution of employees by education

At the end of 2025, the majority of employees in the EPSO-G group (76%, or 1,065 employees) had higher education, 10 % of employees (139) had secondary education, and 8% of employees (112) had vocational education. (1,065) had higher education, 10% of employees (139) had secondary education, 8% of employees (112) had vocational education and the smallest group, 6% of employees (88), had higher education.

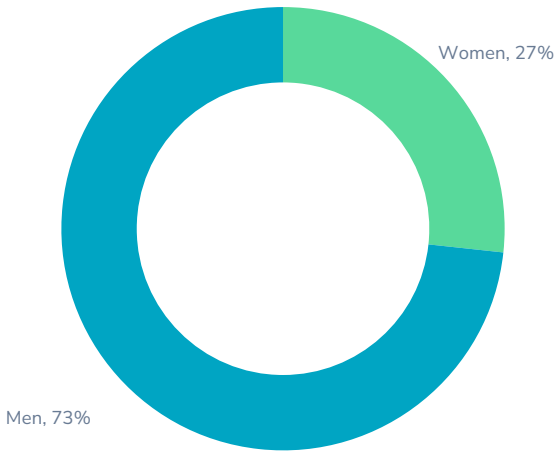
Distribution of employees by education level as at 31 December 2025



Breakdown of employees by gender

On 31 December 2025, 27% (375) of employees in the EPSO-G group were women, while 73% (1,029) were men. Compared to the previous year, the proportion of women increased by 3%, while at the end of 2024 there were 24% women and 76% men. This gender distribution of employees is due to the specific nature of our Group's activities, where the majority of employees must have an engineering education and/or qualifications, and historically, women in the Lithuanian labour market are less likely to choose to study engineering. Accordingly, the gender distribution of employees in the EPSO-G group of companies reflects the situation in the labour market for companies in this sector.

Distribution by gender on 31 December 2025



More information about the Group's employees, including more detailed information on the distribution of employees by gender, is provided in Section 8.3 of the Sustainability Report, under the heading "Our Workforce".

6.2. Remuneration Policy and Monitoring

The EPSO-G Board of Directors is responsible for developing and supervising the implementation of the remuneration policy. In order to ensure the proper formulation and monitoring of the remuneration policy and the management of the remuneration fund, a three-member Remuneration and Appointments Committee, composed of a majority of independent members, has been established and is operating within the EPSO-G group of companies. The main functions of the Remuneration and Appointments Committee are set out in section 5.2.2 of this report. In line with international best practice in corporate governance, EPSO-G's remuneration policy is approved or amended by the board of directors on the recommendation of the Remuneration and Appointments Committee.

6.2.1. Remuneration policy

The objective of the EPSO-G Group's remuneration, performance appraisal and development policy (hereinafter referred to as the EPSO-G Remuneration Policy) is to establish clear and transparent principles for remuneration and performance appraisal and a remuneration system based on these principles, which (i) creates incentives to achieve better results and contribute to the Group's objectives, (ii) helps to attract and retain qualified staff, and (iii) ensures equal pay for equal work or work of equal value, based on objective and transparent criteria.

In 2025, the EPSO-G remuneration policy was reviewed and updated to maintain the principles of transparency and clarity, respond to the changed context and processes of remuneration management, and prepare for the entry into force of Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023, which strengthens the principle of equal pay for men and women for equal work or work of equal value by establishing mechanisms for transparency and enforcement (hereinafter referred to as the EU Transparency in Remuneration Directive). The new version of the remuneration policy was approved by the EPSO-G Board on 28 October 2025, following recommendations from the Remuneration and Appointments Committee, and came into force in other Group companies on 7 December 2025.

The main changes in the updated EPSO-G remuneration policy are as follows:

- **Uniform remuneration scales for the entire Group** – the remuneration scales for all Group companies are approved by the EPSO-G Board at Group level, ensuring uniform rules and internal fairness.
- **Transparency of pay scales** – the updated pay scales are published on the intranet and are available to all Group employees.
- **Greater remuneration transparency**. Employees are guaranteed the right to information about their own remuneration (annual and hourly) and average remuneration levels by gender in the same job group. This point will come into force on 8 June 2026, together with the EU Transparency in Remuneration Directive.
- The principle that **only one form of incentive** may be **awarded** for the same achievement is established in order to ensure transparency, proportionality and organisational fairness.
- **Faster decisions** on project and innovation incentives – decisions are made by the Company's CEO within the approved budget, and the Board is informed through summary reports.
- **More training opportunities** at Group level – in addition to the companies' training plans, Group-level plans and programmes are also provided, offering more horizontal and vertical career opportunities.

More detailed information on EPSO-G's remuneration, performance appraisal and training policies can be found here.

The Group companies Amber Grid and Litgrid have approved their own separate remuneration policies for managers and board members, which are approved by the general meetings of shareholders of these companies.

More detailed information about Amber Grid's remuneration policy can be found here, and Litgrid's remuneration policy here.

6.2.2. Remuneration policy principles

All EPSO-G Group companies apply the same EPSO-G remuneration policy principles, which apply equally to both managers and employees. These principles are enshrined in the EPSO-G remuneration policy.

EPSO-G remuneration policy

Financial remuneration

Monthly remuneration, bonuses established in the Labour Code of the Republic of Lithuania, internal company regulations and collective agreements, financial incentives, project incentives, incentives for results of particular importance, incentives for the implementation of innovations and additional benefits of a financial nature.

Non-financial remuneration

Employees are provided with additional non-financial benefits (e.g. flexible working hours, the opportunity to work remotely, etc.) and recognition and emotional rewards, which consist of targeted actions by the employer to promote employee well-being, empowerment, engagement and organisational transparency.

FINANCIAL REMUNERATION

Monthly remuneration

- Monthly remuneration is determined according to the level of the position, which is assessed using a methodology recognised in international practice and calibrated within the Group to ensure consistency and organisational fairness. Employees' monthly remuneration is determined within the remuneration range for the relevant job level (exceptions are possible only in justified cases), and remuneration ranges are published in the internal information system and are available to all Group employees.
- Monthly remuneration may vary within the remuneration range for the position level, depending on the employee's competencies and qualifications, experience and knowledge, level of responsibility and independence in performing the duties assigned to the position, as well as performance results (including value-based behaviour).
- The remuneration fund is approved by the companies' boards of directors.

Financial incentives

- Financial incentives are a part of remuneration paid at the employer's initiative and discretion, linked to the achievement of the company's objectives, financial results and financial capabilities. Financial incentives may only be awarded when at least 80% of the company's annual targets are achieved. (Or when the board, after assessing objective and reasonable circumstances, decides to apply a lower threshold).
- Individual financial incentives for employees depend on the results of performance evaluations, which include the achievement of objectives, ethical behaviour and performance quality criteria. Financial incentives are not awarded to employees when their performance results do not meet expectations according to the established evaluation criteria.
- Financial incentives for the company's manager are awarded by the company's board (if no board is formed, by the body electing the company's manager), and for other company employees by the company's manager.
- The amount of the financial incentive is provided for in the company's budget and accounted for in the financial results, which are audited and published.

Other forms of incentives

- The EPSO-G remuneration policy also defines other forms of incentives: project incentives, incentives for innovation and incentives for results of particular importance. Funds for these forms of incentives must be provided for in the company's annual budget.
- Decisions on project-based incentives, incentives for innovation and incentives for results of exceptional importance are taken by the company's CEO within the limits of the approved budget, in accordance with the policy provisions. Once a year, the company's board of directors is provided with summary information on the funds paid out in the previous year for project incentives, incentives for innovation and incentives for results of particular importance.

NON-FINANCIAL REMUNERATION

- EPSO-G Group companies use a wide range of non-financial reward measures to encourage employee engagement and loyalty. These include voluntary health insurance, additional days off, seminars on health, physical and psychological well-being and motivation, vaccinations against seasonal illnesses, events and traditions for employees, flexible working hours and remote working options, recognition programmes and internal career opportunities within the Group.

OTHER INFORMATION

- Severance payments for managers and employees do not exceed the amounts specified in the laws of the Republic of Lithuania.
- No advance agreements on the amount of severance pay (except for company managers whose working conditions are determined by the board) are made.
- Severance payments to employees are paid in accordance with the Labour Code and employment contracts.

COLLEGIAL BODIES

- The EPSO-G remuneration policy does not provide for any remuneration mechanism that would entitle a manager, member of a collegial body or employee to shares, share options or remuneration linked to changes in share prices or other financial instruments.
- No financial incentives are paid to members of collegiate bodies.

In order to ensure the effectiveness of the remuneration policy, we publish the amounts of fixed remuneration and financial incentives by job category. This practice enables EPSO-G group companies to adequately reward employees for achieving their goals and exceeding expectations. The competitiveness of the remuneration of group companies' employees is assessed on the basis of market research data. No external consultants were used in developing the EPSO-G remuneration policy.

6.2.3. Information on the remuneration of the company's manager

The same remuneration policy described in sections 6.2.1 and 6.2.2 applies to the head of EPSO-G as to all employees of the company. The remuneration and benefits received by the head of EPSO-G consist of the following main components:

Monthly remuneration

- The monthly remuneration of the company's director is determined by the company's board of directors, taking into account the director's experience, skills, competence and performance.

Financial incentives

- Financial incentives may be granted to the head of the company, as well as to other employees, at the initiative and discretion of the employer.
- Financial incentives may only be granted if at least 80% of the company's annual targets are achieved. (Or if the board, after assessing objective and reasonable circumstances, decides to apply a lower threshold).
- Financial incentives for the company's CEO are granted by the company's board of directors, taking into account the CEO's annual targets related to the implementation of the company's strategy, the results achieved, ethical behaviour and the assessment of the quality of performance. The company's annual targets are published on the company's website.
- Financial incentives are not awarded to the company's CEO when the performance results do not meet the expectations according to the established evaluation criteria. The possibility of deferring and recovering financial incentives is not applied in the Group's companies.

Other forms of incentives

- In addition, for results of particular importance, the company's CEO may be awarded an incentive (one-off) approved by the board.
- Under the EPSO-G remuneration policy, the company's manager may not be awarded project-based incentives or incentives for the implementation of innovations.

Additional benefits

- Additional benefits granted to the company's CEO are set out in the company's internal regulations. The company's CEO, like all employees, is provided with voluntary health insurance, the option to work in a hybrid mode, and a company car is included in the package of additional benefits provided to top-level managers.

Information on the actual remuneration received by the head of EPSO-G (monthly remuneration and financial incentives) is provided in section 6.3.2 of this report.

6.3. Information on Employee Remuneration

6.3.1. Information on the remuneration of the EPSO-G group

Salaries by employee group	Group					
	Number of employees (at the end of the period)			Average monthly salary (including financial incentives)		
	2025	2024	2023	2025	2024	2023
CEOs	7	7	6	13	12,712	12,092
Top-level managers	28	28	25	10,061	9,072	8,862
Middle managers	161	161	144	6,309	5,847	5,790
Specialists	853	853	783	3,899	3,638	3,450
Workers	304	304	303	2,444	2,302	1,937
Total	1,396*	1,353	1,261	4,039	3,729	3,492
Wage fund, thousand EUR				66,249	52,937	59,133

*The total number does not include 8 interns working under employment contracts.

6.3.2. Information on the remuneration and financial incentives of the management company EPSO-G

Salaries by employee group	Company								
	Number of employees (at the end of the period)			2025		2024		2023	
	2025	2024	2023	Average monthly wage, EUR	Financial incentives for results in 2024, EUR	Average monthly salary, EUR	Financial incentive for 2023 results, EUR	Average monthly salary, EUR	Financial incentive for 2022 results, EUR
CEOs	1	1	1	13,801	2,228	13,158	2,021	13,803	971
Top-level managers	6	6	6	9,408	1,367	9,116	1,261	8,034	1,207
Middle managers	23	21	19	6,717	445	6,644	394	6,379	1,243
Specialists	57	50	40	4,370	27	4,001	253	3,792	458
Total	87	78	66	5,567	432	5,305	406	5,049	748
Wage fund, thousand EUR					5,462		4,661		4,447

6.4. Information on Remuneration of Members of Collegial Bodies

6.4.1. Guidelines for the remuneration of members of collegiate bodies

Members of EPSO-G collegial bodies – the Board, the Remuneration and Appointments Committee and the Audit Committee – are appointed for a four-year term. Civil contracts are concluded with them, detailing their responsibilities, duties, rights and functions.

The sole shareholder exercising the rights and obligations of the company, the Ministry of Energy of the Republic of Lithuania, approved on 21 October 2022 the updated guidelines for determining remuneration for activities in EPSO-G and the companies of the EPSO-G group (hereinafter referred to as the remuneration guidelines). The guidelines were updated on 26 April 2024. They aim to ensure the independent, competent and stable work of collegial bodies, contributing to the long-term creation of value for the company and compliance with the principles of good governance.

The current version of the remuneration guidelines stipulates that remuneration for activities in the collegial bodies of the Group's companies may be paid to members who meet at least one of the conditions set out below and the payment of remuneration to these members is not prohibited by the laws and regulations in force in the Republic of Lithuania:

- independent members, whose independence is determined in accordance with applicable regulatory acts and internal documents;
- members who are civil servants.

Remuneration is not paid to employees of Group companies and/or employees of shareholders of Group companies.

21 October 2022 version of the remuneration guidelines:

	EPSO-G	Subsidiaries and subsequent subsidiaries
Chairman of the Board	1/3 AMP(CEO)*	1/3 AMP(CEO)
Member of the Board	1/4 AMP(CEO)	1/4 AMP(CEO)
Member of the Board (civil servant)	1/4 AMP(CEO)**	1/5 AMP(CEO)**
Chair of the AK and ASK groups	1/3 AMP(CEO) minus EUR 400	-
Member of AK and ASK groups	1/4 AMP(CEO) minus EUR 400	-

* AMP(CEO) – average monthly salary of the head of EPSO-G or the general director of a subsidiary or subsequent level subsidiary.

** If a member of the board (civil servant) also performs duties in a collegial body of another state-owned enterprise/state-controlled company and/or municipal enterprise/municipal-controlled company, he shall be paid a remuneration equal to 1/8 of the average monthly salary of the head of the relevant Group company. A member of the board (civil servant) shall not be paid remuneration for activities in a board committee.

On 21 October 2022, the Ministry of Energy decided to set the following fixed monthly amounts (before taxes) for members of the EPSO-G board and audit committee, which apply from 1 October 2022:

Position	Fixed monthly remuneration (EUR)
Chairman of the Board	3,406
Member of the Board	2,555
Member of the Board (civil servant), if the civil servant does not hold a position and does not perform activities in another state-owned enterprise / public enterprise and/or municipal-owned enterprise / municipal enterprise* collegial body	2,044
Member of the board (civil servant), if the civil servant is a member of and performs activities in another state-owned enterprise/public enterprise and/or municipal-owned enterprise/municipal enterprise collegial body	1,277
Chair of the audit committee	3,006
Member of the audit committee	2,155

* SE – state-owned enterprise, SOE – state-controlled enterprise, ME – municipal enterprise, MCE – municipally-controlled enterprise

On 25 November 2022, the EPSO-G Board decided on the following remuneration amounts Remuneration for members of the Remuneration and Appointment Committee (before tax):

Position	Monthly fixed remuneration (EUR)
Chair of the Remuneration and Appointments Committee	3,006
Member of the Remuneration and Appointments Committee	2,155

Remuneration guidelines as of 26 April 2024:

The general meetings of shareholders and/or other bodies of EPSO-G and the Group companies shall, within their respective areas of competence, decide on the specific fixed monthly remuneration and the procedure for its payment to members of collegiate bodies, taking into account the amounts specified in the table (before taxes) and rounded up to the nearest 200 euros (two hundred euros) based on the monthly remuneration calculated according to these amounts:

	EPSO-G	Subsidiaries and subsequent subsidiaries
Chairman of the Board	1/3 AMP(V)*	1/3 AMP(V)
Member of the Board	1/4 AMP(V)	1/4 AMP(V)
Member of the Board (civil servant)	1/5 AMP(V)**	1/5 AMP(V)**
Chair of the AK and ASK groups	1/3 AMP(V) minus EUR 1,300	-
Member of AK and ASK groups	1/4 AMP(V) minus EUR 1,100	-

*AMP(V) – average monthly salary of the head of the company or the head of a subsidiary or subsequent level subsidiary

Fixed monthly remuneration For members of the EPSO-G collegial body, it is calculated on the basis of the average monthly salary of the company director for the previous calendar year, as recalculated and paid at the time of determining the remuneration, and is not recalculated for the entire term of office of the member of the collegial body, unless the previously determined remuneration no longer complies with the requirements established by law.

On 26 April 2024, the Ministry of Energy decided to set the following fixed monthly amounts (before taxes) for EPSO-G board members, which will apply from 1 May 2024:

Position	Monthly fixed remuneration (EUR)
Chairman of the Board	4,400
Member of the Board	3,300
Member of the Board (civil servant), if the civil servant does not hold a position and does not perform activities in another state-owned enterprise / public enterprise and/or municipal-owned enterprise / municipal enterprise* collegial body	2,600
Member of the board (civil servant), if the civil servant is a member of and performs activities in another state-owned enterprise/public enterprise and/or municipal-owned enterprise/municipal enterprise collegial body	1,700

* SE – state-owned enterprise, SOE – state-controlled enterprise, ME – municipal enterprise, MCE – municipally controlled enterprise

On 18 October 2024, the Ministry of Energy decided to set the following fixed monthly amounts (before taxes) for the newly elected members of the EPSO-G Audit Committee, which will apply from 23 October 2024:

Position	Fixed monthly remuneration (EUR)
Chair of the Audit Committee	3,100
Member of the Audit Committee	2,200

In the event that a member of the company's board is elected as a member and/or chair of a board committee formed within the Group, or a member of the company's board is dismissed/resigns from the position of a member of the board committee formed within the Group and/or chairman of the board, the remuneration of such a member of the company's board shall be changed without a separate decision of the company's shareholder, taking into account the remuneration amounts established by the decision of the company's shareholder, which depend on the positions held.

10% of the total budget of the relevant collegial body of the company shall be allocated to additional expenses of the company incurred to ensure the activities of the collegial body. The budget allocated to cover the expenses of the collegial body may be used to organise joint training sessions for collegial bodies, cooperation sessions or any other form of joint events for the exchange of knowledge and good practice. The company's collegial body training budgets are not used for individual training of collegial body members.

Contracts concluded with members of supervisory and management bodies do not confer any rights to shares in EPSO-G group companies, other forms of remuneration or additional benefits. The contracts do not provide for any severance payments or notice periods.

6.4.2. Remuneration received by members of collegiate bodies

Information on the work and remuneration of members of the collegiate supervisory and management bodies of the EPSO-G management company

	31 December 2025	31 December 2024	31 December 2023
Meetings of collegiate supervisory and management bodies (number)	49	55	94
Number of members of collegiate bodies who receive remuneration (persons)*	11	7	6
Payments related to members of management bodies (thousand euros)	262	257	209

Information on individual payments to members of the EPSO-G Board

Member's first name, surname	31 December 2025	31 December 2024	31 December 2023
Gediminas Almantas	-	-	6759
Robertas Vyšniauskas	52800	48824	40152
Tomas Daukantas	-	28,054	24330
Dainius Bražiūnas	31200	28976	24330
Liudas Liutkevičius	396	3662	23654
Asta Sungailienė	-	7253	23654
Rasa Balevičienė	39600	11330	-
Dovilė Kavaliauskienė	20013	-	-
Total:	**183,213**	**161,057**	**142,880**

Information on individual payments to members of the EPSO-G Audit Committee

Member's name	31 December 2025	31 December 2024	31 December 2023
Gediminas Šiušas	-	29187	36072
Robertas Vyšniauskas	-	20924	25860
Rasa Balevičienė	39261	5039	-
Vytenis Lazauskas	26400	5039	-
Dainius Bražiūnas*	-	-	-
Total:	**65,661**	**60,189**	**61932**

Information on individual payments to members of the EPSO-G Remuneration Committee

Member's name	31 December 2025	31 December 2024	31 December 2023
Asta Sungailienė	-	8533	24127
Ramūnas Bagdonas	21550	25860	14726
Robertas Vyšniauskas	40161	6752	-
Dovilė Kavaliauskienė*	-	-	-
Total:	**61,711**	**41,145**	**52,504**

* In accordance with the guidelines for determining remuneration for activities in the bodies of UAB EPSO-G and UAB EPSO-G group companies, approved on 26 April 2024 by Decision No. 55-155 of the sole shareholder of UAB EPSO-G, no remuneration is paid to a member of the board (civil servant) for activities in the board committee.

07 Information on Special Obligations



7.1. Administration of PSO Funds

7. Information on Special Obligations

7.1. PSO fund administration activities

Baltpool, a company belonging to the EPSO-G group, was appointed by Resolution No. 1338 of the Government of the Republic of Lithuania of 7 November 2012 "On the appointment of the administrator of funds for services of public interest in the electricity sector" has been appointed to perform a special obligation – to act as the administrator of funds for services of general economic interest (SGEI) in the electricity sector.

Baltpool carries out the activities included in the list of special obligations of state-owned enterprises and their subsidiaries, approved by Order No. 4-193 of the Minister of Economy and Innovation of the Republic of Lithuania on 16 March 2021 (hereinafter referred to as the List of Special Obligations), Baltpool carries out its activities in accordance with the Law on Electricity of the Republic of Lithuania, the Law on Renewable Energy Sources of the Republic of Lithuania, the Procedure for the Provision of PSO and the Determination of their Volumes, approved by Resolution No. 916 of the Government of the Republic of Lithuania on 18 July 2012, the Procedure for the Administration of PSO Funds, approved by Resolution No. 1157 of the Government of the Republic of Lithuania on 19 September 2012 (hereinafter referred to as the Description of the Procedure for the Administration of PSO Funds) and other legal acts regulating the administration of PSO funds.

Since 1 January 2013, the company has been assigned a special task – to perform the functions of administrator of funds for services of general economic interest (SGEI) in the electricity sector and to ensure the proper and lawful collection, payment, reimbursement and administration of SGEI funds.

Key performance indicators related to the administration of PSO funds

The objective of PSO fund administration activities is to ensure the proper and lawful collection, payment, refund and administration of PSO funds. In order to achieve this objective, Baltpool pays particular attention to ensuring the proper storage of PSO funds, the smooth and transparent collection and disbursement of PSO funds, and the proper representation of Baltpool in legal disputes related to the administration of PSO funds. Taking into account the obligations imposed on the company as the administrator of PSO funds by law, and assessing its activity planning, compliance and risk management documents, Baltpool identified and, in 2025 (as in 2024).

All indicators were 100% achieved in the reporting year (2025) and the previous year (2024):

	Target value	2025 actual	2024 actual	Indicator, %
Number of cases where information related to the administration of PSO funds was published and/or submitted to NERC in violation of the deadlines set out in the applicable legislation, units. (target delay value: 0 days)	0	0	0	**100**
Number of cases where Baltpool's obligations to PSO fund recipients related to the disbursement of PSO funds were not properly fulfilled, units.	0	0	0	**100**
Baltpool's involvement in legal disputes related to the administration of PSO funds, %.	**100**	**100**	**100**	**100**

PSO fund administration operating costs, accounting and PSO prices

The legislation governing the administration of PSO funds does not entitle Baltpool to make a profit from this activity. The costs incurred by Baltpool for the administration of PSO funds, in accordance with the provisions of the PSO fund administration procedure, are covered by the collected PSO funds, but not more than 1/12 of the amount of PSO funds administration approved for the current calendar year, which is determined annually in accordance with the PSO price setting methodology approved by NERC Resolution No. O3-279 of 28 September 2012 (hereinafter referred to as the PSO price methodology). Baltpool keeps separate accounts for PSO fund administration activities from other activities. The PSO prices for the coming calendar year and

the amounts of PSO funds payable to PSO providers in the current calendar year are determined by PSO in accordance with the PSO pricing methodology.

In 2025, Baltpool, in accordance with the PSO pricing methodology, submitted to NERC the data necessary to determine the PSO funding requirements and prices for 2026. On 31 October 2025, by Resolution No. O3E-1591, NERC allocated EUR 237,000 to cover Baltpool's 2026 PSO fund administration costs . (in 2025, NERC Resolution No. O3E-1353 of 30 October 2024 allocated EUR 208,000) and set a (negative) PSO price of -0.044 ct/kWh excluding VAT for all persons in 2026 (in 2025, a PSO price of -0.039 ct/kWh excluding VAT (negative) was set for all persons). When assessing the prices of individual PSOs: for 2026, the price of the service specified in Article 74(2)(1) of the Law on Electricity of the Republic of Lithuania (electricity production using renewable energy sources) is -0.044 ct/kWh excluding VAT (in 2025 – -0.039 ct/kWh excluding VAT), for the services specified in Article 74(2)(2)-(8) of the Law on Electricity of the Republic of Lithuania – 0 ct/kWh (in 2025 – also 0 ct/kWh).

The cash flow forecast for PSO funds, together with other PSO fund management reports and detailed information about PSO, is published on the Baltpool website: reports and PSO fund management.

Balance sheet of PSO fund administration activities as at 31 December 2025 and 31 December 2024: PSO fund cash balance, receivables

PSO funds, related liabilities are presented in the table below:

(All amounts in thousands of euros, unless otherwise stated)	2025	2024	Change	
			+	%
Receivables from administered PSO funds	25,302	26,627	-1,325	-5
VAT receivable	295	-	295	-
PSO cash balance	6,273	12,766	-6,493	-51
	31,870	**39,393**	**-7,523**	**-19**
PSO funds payable	3,979	3,486	-493	14
Accumulated PSO funds payable	27,891	35,907	-8,016	-22
	31,870	**39,393**	**-7,523**	**-19**

In performing its PSO administration activities, EPSO-G Baltpool incurred the following costs in 2025 and 2024, ending on 31 December, which were compensated in accordance with the PSO pricing methodology. The compensated costs were recognised as income, and the income and costs related to PSO activities and the financial result were reflected in the following lines of EPSO-G's profit (loss) statement:

(All amounts in thousands of euros, unless otherwise stated)	Twelve-month period ended 31 December 2025	Twelve-month period ended 31 December 2024	Change	
			+/-	%
Income	208	245	-37	-15
Total income and other income:	**208**	**245**	**-37**	**-15**
Wages and related expenses	-14	-136	-4	3
Legal services and stamp duty	-19	-34	15	-44
Other expenses	-21	-19	-2	11
Total expenses:	**-180**	**-189**	**9**	**-5**
EBITDA	28	56	-28	-50
Depreciation and amortisation	-21	-20	-1	5
Operating profit (loss) EBIT	7	36	-29	-81
Income tax	0	0	0	0
Net profit (loss)	7	36	-29	-81

Information about the special obligations of EPSO-G and the Group companies is provided in the List of Special Obligations (available here), which currently contains only one obligation – the administration of funds for services in the public interest (BALTPOOL UAB).

08 Sustainability Report



8.1. ESRS 2 General information
8.2. Environmental area
8.3. Environmental information
8.4. Social information
8.5. Governance information
8.6. Annexes

8. Sustainability report

8.1. ESRS 2 General information

BP-1 General basis for preparation of sustainability statements

This Sustainability Report presents consolidated sustainability information for the Group (hereinafter – the Sustainability Report), prepared in accordance with the European Union Corporate Sustainability Reporting Directive (CSRD), the Law of the Republic of Lithuania on the Reporting of Undertakings and Undertaking Groups, and the European Sustainability Reporting Standards (ESRS). The Sustainability Report forms part of the Group's 2025 Management Report. The information presented covers the reporting period from 1 January to 31 December 2025 and is consistent with the scope of the financial statements.

Following the structure specified in the first standard (1 ESRS), the sustainability report consists of five sections:

1. General information (ESRS 2 General disclosures);
2. Environmental information (E1 Climate change, E2 Pollution, E4 Biodiversity and ecosystems, E5 Resource use and circular economy);
3. Social information (S1 Own workforce, S3 Affected communities and S4 Consumers and end users);
4. Governance information (G1 Business ethics);
5. Annexes.

This Sustainability Report presents consolidated sustainability information for all Group companies. The group consists of the parent company EPSO-G and six directly owned subsidiaries Litgrid, Amber Grid, Baltpool, Tetas, Energy cells, and EPSO-G Invest. EPSO-G and its Group companies also own part of the shares of GET Baltic, UAB, Baltic RCC OÜ and TSO Holding AS, but do not have control over them.

The Sustainability Report discloses the Group's most material sustainability topics and their impacts, risks and opportunities, based on the Group's Double Materiality Assessment carried out by the principles and requirements of ESRS. Actions and targets related to sustainability topics are disclosed in the respective topical disclosure sections. We provide information covering the Group's direct operations as well as the upstream and downstream segments of the value chain. For more on DMA approach and assessment see the section Double Materiality Assessment (SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model. Identifying and assessing sustainability impacts, risks and opportunities and IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities).

We have not made use of the option provided in ESRS and the applicable legislation to omit information that could be considered confidential due to innovation or ongoing negotiations, and we disclose all material information necessary to meet the objectives of sustainability reporting.

BP-2 Disclosures in relation to specific circumstances

In 2025, we improved the structure of the Sustainability Report by strengthening the disclosure of impacts, risks, and opportunities (IRO) management. These changes enable a clearer, more consistent, and more coherent understanding of the information presented and its links to the Group's activities.

Our topical disclosures include a new topic, "Air pollution" (E2 Pollution), identified as material for the Group company Amber Grid during the DMA. Material sustainability topics of all Group companies, together with the related impacts, risks, and opportunities, are disclosed in a consistent manner.

Where new data have been included in the disclosures in accordance with ESRS requirements, comparative information for such data is not provided unless it was previously disclosed and comparative information is available.

No high level of measurement uncertainty has been identified for the reported quantifiable indicators or monetary amounts, except for GHG Scope 3 emissions. Various assumptions are applied in calculating these emissions, which may result in a degree of estimation uncertainty. No indirect data sources covering the value chain were used for the calculation of other metrics, except where explicitly required by the applicable methodology (e.g. in GHG emission calculations). GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. We did not apply any assumptions or uncertainties in the calculation methods for the other indicators.

The Sustainability Report does not contain additional information required by other legislation or other sustainability reporting standards and frameworks. No external body other than the assurance provider was involved in the validation of the indicators and information presented in the sustainability report.

Given that the Sustainability Report forms part of the Management Report and to provide more comprehensive information and ensure its integrity, references are made to other clearly indicated sections of the Management Report. Information incorporated by reference is presented in the table in the Annex titled "BP-2-16 Information incorporated by reference".

Sustainability governance

GOV-1 The role of the administrative, management and supervisory bodies

The Group does not have separate control measures or procedures dedicated exclusively to sustainability. The management of sustainability-related impacts, risks, and opportunities is integrated into the Group's overall internal control, risk management, and compliance system, as well as into decision-making processes.

The administrative, management, and supervisory bodies (AMSB) oversee sustainability matters by applying unified risk assessment, internal control, compliance, and business continuity mechanisms used across all material areas of activity. These mechanisms also cover the identification, assessment, and management of sustainability-related impacts, risks, and opportunities. Thus, the control of sustainability matters forms an integral part of existing management functions and responsibilities rather than a separate process.

The Group's sustainability governance structure is aligned with the overall Group governance framework. The Group's management, supervisory, and advisory bodies oversee and manage sustainability matters in line with their assigned areas of responsibility and competences.

According to the legal acts of the Republic of Lithuania, the majority of the Board is composed of independent members and public officials. The percentage of independent board members is presented in section 5.2.2 *EPSO-G's Board and Committees* of the Management Report. The management and supervisory bodies do not include executive members, employee representatives, or other workforce representatives. For more information on the Group's governance, see sections 5.2.1 to 5.2.2 of the Management Report.

The table below presents the sustainability governance structure, including the composition, roles, and responsibilities of the Group's AMSB in managing sustainability matters. The roles and responsibilities of sustainability management are defined in the relevant operational documents (rules of procedure, operating regulations, job descriptions, etc.).

Sustainability governance and oversight

Administrative, management and supervisory bodies of the Group	Key responsibilities
The Board	• The Board decides on the formulation, approval and implementation of the Group's sustainability-related policies. • It sets out the Group's strategic sustainability directions, approves strategic sustainability objectives and monitor their implementation. • The Board also analyses and evaluates the material provided by the Company on strategic issues related to the development of the Group's sustainability (environmental, social and human rights, and governance) and ensures that appropriate organisational and technical measures are in place to manage the Company's activities in this area.
Audit Committee	• Overseeing the assurance processes for the Group's financial statements and sustainability reporting; • Monitoring the independence of the independent sustainability assurance provider.
Remuneration and Nomination Committee	• Making recommendations on the framework for strengthening equal opportunities, inclusion and diversity within the Group. • Participating in the selection of members of collegial bodies and the heads of Group companies – single-person management bodies, and providing recommendations on their appointment and contractual terms. • Providing recommendations on the remuneration policy and the measures required for its implementation. • Providing recommendations on the replacement system for the heads of Group companies and critical positions.
EPSO-G CEO	• Organising, monitoring and ensuring the implementation of the Group's sustainability strategy to the extent required by law. • Implementing recommendations, procedures, policies, codes and sustainability development plans related to the Group's activities and operations.

Sustainability coordination and implementation

Group Management Committee	• Approving the annual objectives and measures of the Group's sustainability function, decides on resources at Group level, evaluates the results achieved and caries out other functions.
Group Sustainability Function	• Ensuring the implementation of sustainability-related policies, the functioning of the sustainability function, and the coordination of sustainability matters at Group level, as well as coordinating the preparation of sustainability reports. • Developing the Group's internal regulatory framework and issuing Group-level rules and procedures.

Group functions	• Ensuring coordination and (or) implementation of sustainability issues and activities within the function, within the operational areas.
Group companies	• Implementing the Group's strategic sustainability objectives, preparing sustainability reports and ensuring regulatory compliance. • Applying and implementing the Group's internal regulatory framework.

Composition and diversity of the members of the collegiate bodies

Members of the collegial bodies possess diverse professional experience and a broad range of competences, which form the basis for effective Group governance. They include experts with specialised knowledge, including in sustainability management (environmental, social, and governance areas). These competences enable the collegial bodies to effectively oversee and strategically guide sustainability initiatives, ensuring their alignment with the Group's strategic priorities and stakeholder expectations. The diversity of members' professional experience and competences thus supports the responsible and sustainable development of the Group. Further information on the professional experience and education of the members of the collegial bodies is provided in section 5.2.2 *EPSO-G's Board and Committees* of the Management Report.

In accordance with the Guidelines for determining remuneration for activities in the corporate bodies of EPSO-G and EPSO-G Group of companies, members of collegial bodies may receive remuneration, and a portion of the collegial body's budget may be allocated to joint training. This enables members to continuously build up the necessary knowledge and competences, including in the area of sustainability.

The percentage of members of the collegiate bodies by gender and other aspects of diversity is given in section 5.2.2 *EPSO-G's Board and Committees.*

GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

During the reporting period, the administrative, management and supervisory bodies were regularly informed about material sustainability matters covering environmental, social and governance topics. These matters were systematically reviewed at the meetings of the collegial bodies in accordance with their respective competences and areas of responsibility.

As part of the annual review of the Group's long-term business strategy, we assess the identified material impacts, risks and opportunities and, based on this assessment, update the objectives and actions related to sustainability topics.

The table below presents the key sustainability matters that were considered at the meetings of the collegial bodies during the reporting period.

Sustainability-related items on the agenda of the 2025 collegiate bodies (environmental, social, governance areas)

Item	Collegiate body (frequency of referrals per reporting period)
On the preparation for sustainability-related disclosures in the Group (including the status and outcome of the Group's DMA process)	Audit Committee (4 referrals)
Group risk management reports	Audit Committee (3 referrals)
List of the Group's priority risks	Audit Committee (1 referral) Board (1 referral)
Approval of the updated EPSO-G group business strategy until 2035	Board (1 referral)
2025 performance reports (KPIs monitored, risk reports)	Board (4 referrals)
Setting the EPSO-G objectives for 2025 (including sustainability)	Board (1 referral)
On the functioning of the collegial bodies of the Group companies (one of the recommended areas for improvement of the collegial bodies is sustainability)	Remuneration and Nomination Committee (1 referral)
Equal opportunities, inclusion and diversity status in the Group	Remuneration and Nomination Committee (1 referral)
Group's Employee Remuneration Policy and remuneration-related matters	Remuneration and Nomination Committee (12 referrals) Board (1 referral on policy approval)
Monitoring of replacement planning in the Group	Remuneration and Nomination Committee (1 referral)
Information security items	Audit Committee (3 referrals) Board (2 referrals)
Business ethics items	Audit Committee (2 referrals)
Compliance management items	Audit Committee (2 referrals) Board (2 referrals)
Occupational health and safety items	Audit Committee (3 referrals) Board (3 referrals)

GOV-3 Integration of sustainability-related performance in incentive schemes

In line with the Group's Employee Remuneration, Performance Assessment and Training Policy, the Company's Board sets targets and performance quality criteria for the Company's CEO, evaluates their achievement and grants financial incentives. The Chief Executive Officer's targets are aligned with the Company's annual targets, which are publicly disclosed and include financial, strategic project and sustainability goals. The achievement of sustainability targets is assessed based on the established implementation percentage and is directly integrated into the performance evaluation system. The annual sustainability targets are linked to climate change targets. The annual sustainability targets are linked to climate change targets. This includes greenhouse gas (GHG) emission reduction targets, which are publicly disclosed under topic E1 *Climate Change* and in the strategy section SBM-1. For more information on remuneration policy, see section 6. *Remuneration policy development and monitoring* of the Management Report.

No financial incentives are granted to members of the collegial bodies for the Group's performance, including sustainability performance.

More detailed information on the implementation of the remuneration policy is provided in section 6. *Remuneration policy development and monitoring* of the Management Report.

GOV-4 Statement on due diligence

The Group applies operational policies to ensure sustainability due diligence. Potential adverse impacts in the Group's operations and value chain are continuously assessed, with a focus on their prevention and mitigation, and, where such impacts occur, a commitment is made to cooperate in eliminating or remedying them where the Group has contributed to those impacts. The annexes to this report include Table *ESRS 2 GOV-4 Statement on Due Diligence.* The table indicates the sections of the report that disclose information on the Group's sustainability due diligence process.

GOV-5 Risk management and internal controls over sustainability reporting

Sustainability reporting is integrated into the Group's overall compliance, risk management and internal control system. Sustainability-related risks, including climate change risks, are identified, assessed and prioritised in accordance with the Group Risk Management Policy and methodology approved by the Company's Board, applying uniform principles for assessing likelihood, impact and materiality. This process is integrated into the overall risk management system and is carried out alongside the assessment of financial, operational, compliance and other risks. For more details on risk management, please refer to Chapter 5 *Risk Management Framework* of the Management Report.

Internal control over sustainability reporting is based on the identification and analysis of risks and the definition and implementation of measures to manage the most material risks. The preparation of the Sustainability Report is coordinated through the Group's sustainability function, which, in cooperation with the finance, people and culture, compliance, legal and other functions, ensures the management and consistency of sustainability-related information.

The main risks related to sustainability reporting are associated with human error and ensuring data consistency across Group companies. To reduce the likelihood of these risks and increase data accuracy, sustainability reporting processes as well as ESG data and metrics calculation methodologies are systematically standardised across the Group.

Information on sustainability reporting risks, applied control measures and the progress of report preparation is periodically provided to the Group's senior management, the Board and the Audit Committee to ensure appropriate oversight and accountability.

Strategy, business model and value chain

SBM-1 Strategy, business model and value chain

Sustainability is the foundation of the Group's strategy and is consistently integrated into all operational processes. The sustainability priorities and objectives set out in the strategy are aligned with stakeholder expectations and contribute to building a sustainable future by ensuring an independent, secure and reliable energy system for society.

The Group's strategy directly contributes to strengthening sustainability at the national and regional levels. Following the synchronisation of the national electricity system with the continental European networks in 2025 and the acceleration of renewable energy development, significant electrification of the industry, transport and energy sectors is planned by 2029. By 2035, the development of advanced electricity grid and hydrogen infrastructure is planned to enable Lithuania to take a major step towards decarbonisation. For sectors where achieving this objective is particularly challenging, the provision of captured carbon dioxide (CO_2) transportation services is planned.

The Group's strategy also includes strengthening national security. This encompasses the development of a sustainable energy system based on infrastructure resilience – an essential condition for the long-term reliability and continuity of the energy system – as well as contributing to the strengthening of the defence industry operating in Lithuania.

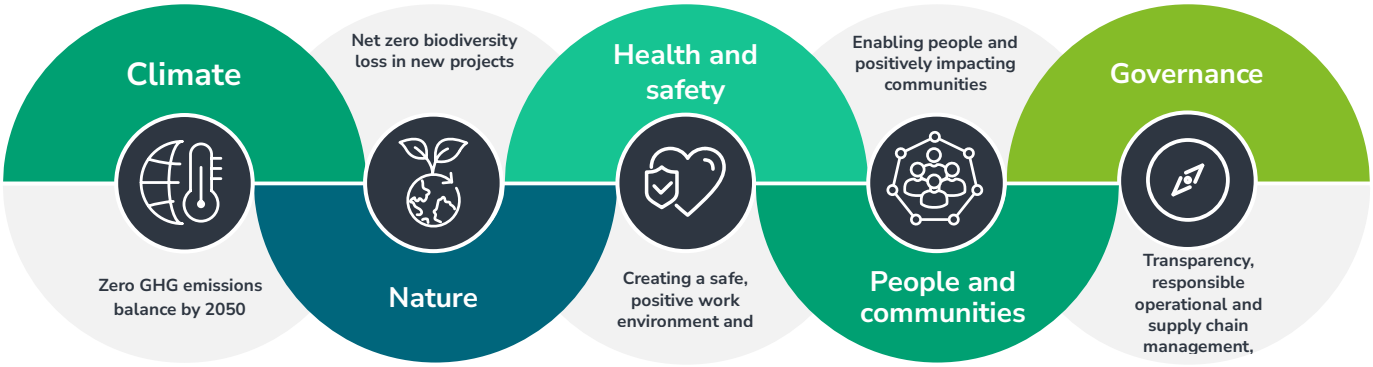
For more information on the Group's business model and strategy, please refer to the Management Report, Chapter 1 *EPSO-G Group of Companies: Who We Are,* Chapter 3 *Business Strategy and Planned Investments,* Chapter 4 *Annual Performance Report.* These chapters cover the opportunities for achieving our strategic objectives, future infrastructure development and the creation of new services for stakeholders, thus enabling the decarbonisation of Lithuanian industry. Information on employees is provided in Chapter 6 *Information on employees and remuneration policy* of the Management Report.

Our activities are guided by governance principles focused on a sustainable future, which pave the way for a smooth transition to a climate-neutral economy.

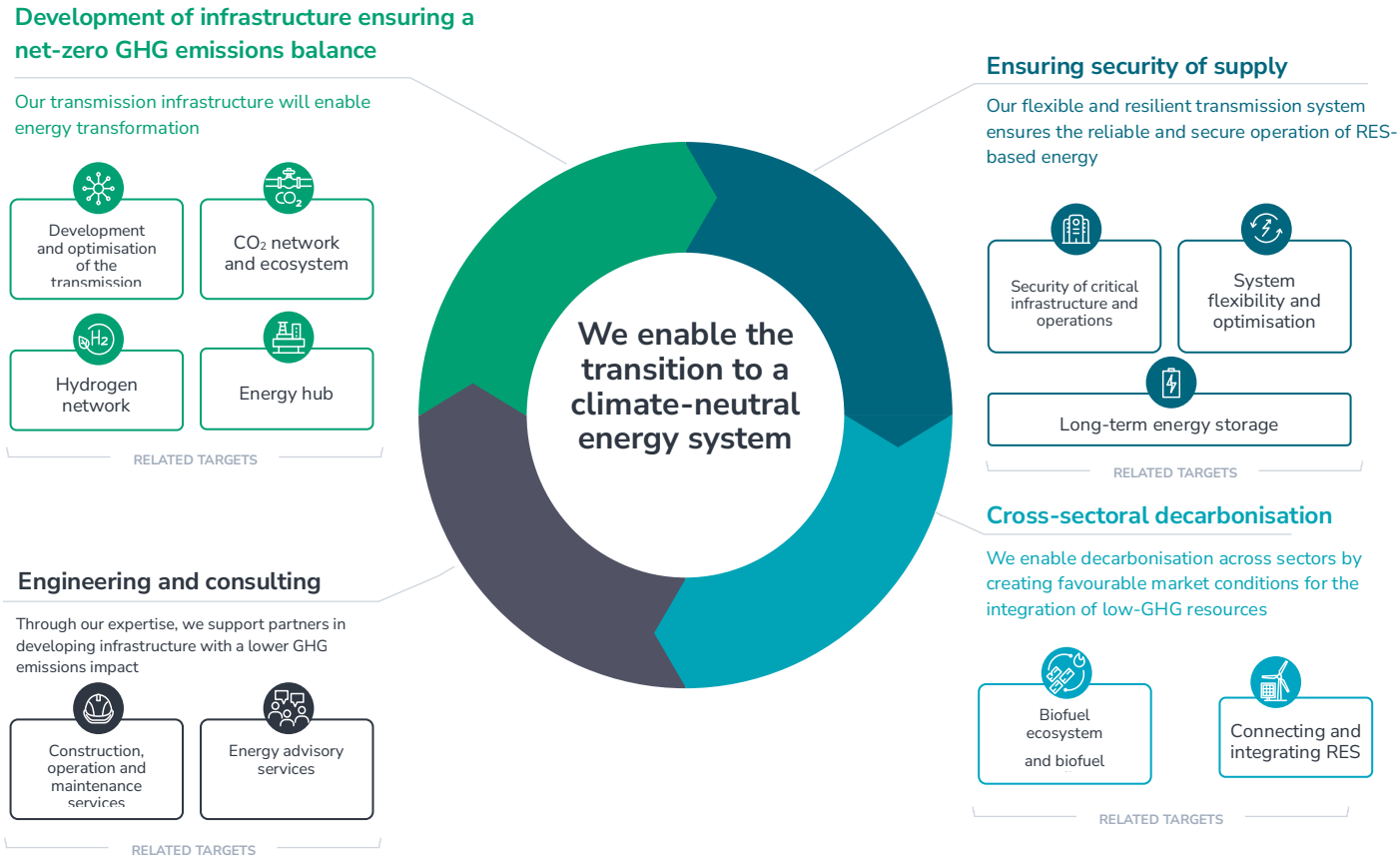
Principles and directions for the Group's sustainability government

Our key directions and material topics are as follows:

- **Climate:** Reducing GHG emissions along the entire value chain, contributing to climate change mitigation;
- **Nature:** Reducing environmental and biodiversity impacts;
- **Health and Safety:** Creating a positive culture and a safe and accident-free working environment;
- **People and communities:** Fostering a culture of diversity, equality and inclusion, and promoting responsible relations with communities;
- **Governance:** Ensuring a sustainable supply chain and sustainable finance.



These directions not only contribute to the implementation of the United Nations Sustainable Development Goals but also enable the consistent creation of long-term value for the organisation and the Group's stakeholders.



Group's strategic sustainability (ESG) objectives (targets) and their progress

Area		Commitments	Target	Values		
				2025	2024	2023
Environmental protection	**Climate** *(E1 Climate change)*	Achieving a net-zero GHG emissions balance by 2050 (the commitment in the row below is directly linked to Scope 1 and Scope 2 GHG emissions reduction targets, which form part of its implementation) *				
		Reduced Scope 1 and Scope 2 emissions compared to the 2019 base year:	-30% by 2026 -50% by 2030	-12%	6.1%	26.1%
	Nature *(E4 Biodiversity)*	Zero net loss of biodiversity resources in new projects**	An action plan will be prepared and target metrics will be defined in 2026–2027.			
Social	**Health and Safety** *(S1 Own workforce)*	Zero serious or fatal accidents (employees and contractors)	0	1	1	0
	People and communities *(S1 Own workforce)*	Women in top management positions	≥21% 2027 ≥ 30% by 2035	19%	13%	15%
		Employee engagement rate	≥ 70% by 2035	76%	71%	74%
Governance	**Valdysena** *(E1 Climate change E5 Circular economy G1 Business ethics)*	Reduced GHG emissions in the supply chain**	50% of operational partners with a GHG reduction target by 2035	n/a	n/a	n/a
		Transition to circular procurement by 2035**	Implement circular procurement from 2035	n/a	n/a	n/a

The Group's commitment to achieve a net-zero GHG emissions balance by 2050 includes targets and measures related to the reduction of Scope 1 and Scope 2 GHG emissions. In 2025, action guidelines were established under which more detailed Scope 3 GHG emissions calculations will be carried out in the coming years and potential reduction measures will be modelled through to 2050. This course of action is also linked to governance measures related to the engagement of operational partners in achieving the Group's targets. More details on these actions are provided in Disclosure G1-2.

** The commitments were approved following the update of the Group's business strategy in 2024; therefore, no historical or reporting period metric values have been established for these commitments (n/a). In 2026–2027, detailed action plans will be prepared for the implementation of these commitments and, based on analysis-driven information, strategic metric values for the coming years will be established.

The Group's strategic sustainability objectives and metrics were defined in line with international and national commitments, the shareholder's letter of expectations and good sustainability governance practices. These objectives and metrics have not been audited by a third party and apply to all Group companies. Targets and actions related to the impacts, risks and opportunities of material sustainability topics are disclosed in the topic-specific disclosures of this report. Metrics related to sustainability are also disclosed in section 4.1 *Report on Achievement of Strategic Indicators* of the Management Report.

Activities in the fossil fuels sector

Amber Grid, a Group company, is active in the transmission of fossil fuels (natural gas). Revenue from natural gas transmission activities is disclosed in Note 31 to the Consolidated Financial Statements. Group companies do not carry out economic activities related to fossil gas (4.29, 4.30, 4.31), and therefore do not derive any income from these activities.

Group value chain

The Group's value chain consists of the upstream segment (supply chain), the direct operations of the Group's companies (midstream), and the downstream segment (service users and operational waste). The picture below shows the main parts of the supply chain, the main services provided, the resources used and the dependencies.

In 2025, the scope of the value chain was updated to reflect the investments of the Group company EPSO-G Invest in Rheinmetall Defence Lietuva, which will carry out the production and sale of artillery ammunition from 2027.

Upstream (supply chain) The Upstream (supply chain) segment begins with the supply of goods and services for the direct operations of the Group's companies. The most important goods and services include:

- procured infrastructure development and reconstruction services and acquired equipment;
- services provided by the Liquefied Natural Gas terminal (LNGt);
- purchased energy;
- funds for Public Service Obligations (PSO) allocated to the preparation and implementation of strategic projects.

Goods and services are sourced from partners with the highest procurement standards. Green and social criteria requirements are applied, partner due diligence is performed, and screening against national and international sanctions is carried out.

Own operations (direct activities) The Group's companies are divided into four activity groups:

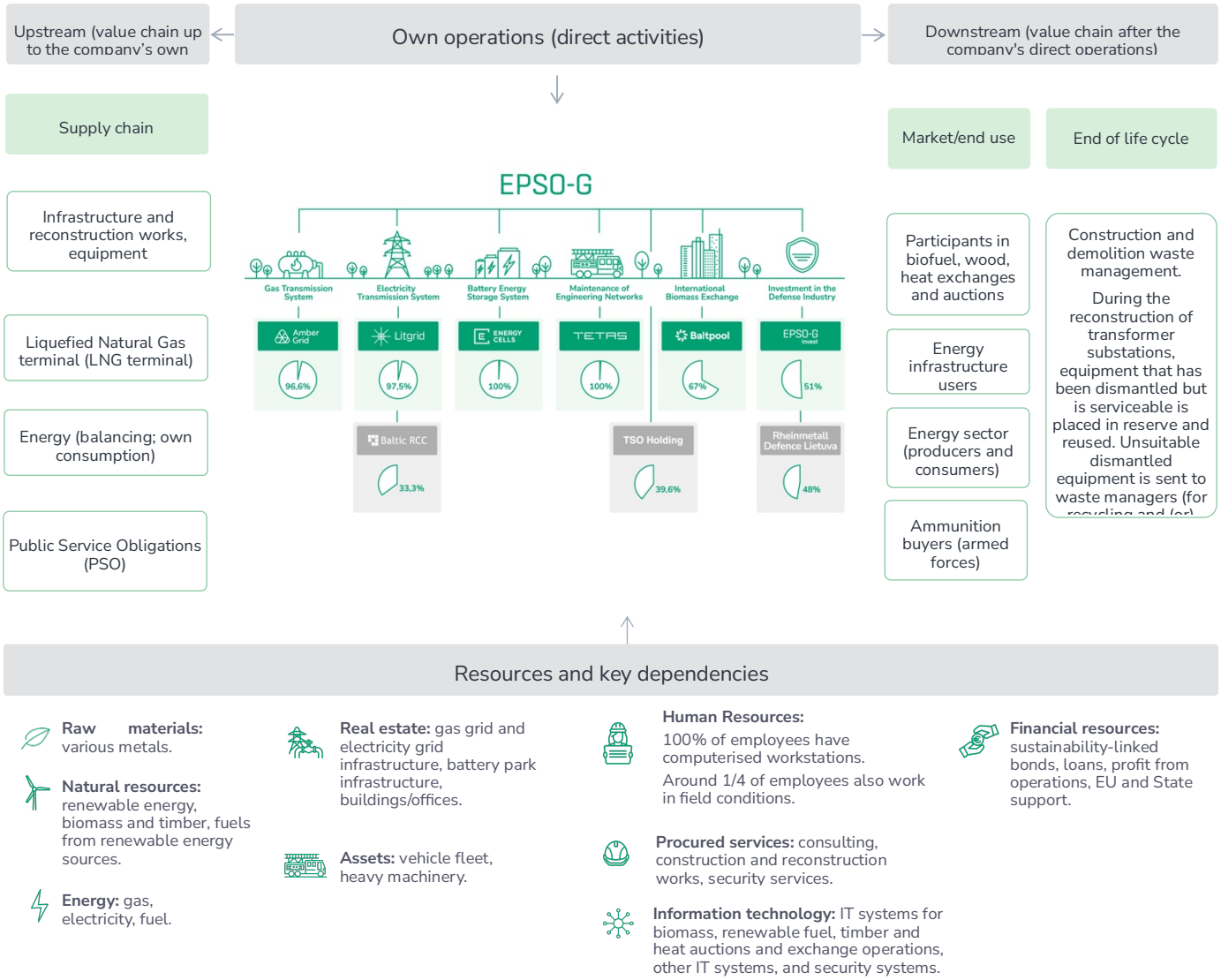
- transmission infrastructure (Litgrid, Amber Grid);
- system operation (Litgrid, Amber Grid, Energy cells);
- exchange services (Baltpool, TSO Holding);
- investment activities and engineering services (Tetas, EPSO-G Invest, Energy cells).

In the transmission infrastructure business, the Group's companies develop and operate critical infrastructure, ensuring the security and sustainability of the energy system. In the system operation segment, the secure and reliable functioning of the integrated energy system is ensured. Exchange services contribute to the implementation of energy security and decarbonisation objectives. Investment activities and engineering services include the provision of environmentally friendly technologies and infrastructure development services, as well as

Downstream The value chain ends with service users and operational waste.

1. Service users include:
   - distribution system operators, electricity and gas consumers directly connected to the transmission system, and developers of renewable energy and battery parks, Baltic and third country energy and gas utilities, natural gas transmission services companies, natural gas transmission services companies, biogas producers (transmission infrastructure, system management, engineering services);
   - buyers and sellers of biofuel, independent heat producers, buyers and sellers of timber, fuel suppliers, electricity consumers and heat suppliers (exchange services);
   - ammunition buyers (investment activities).
2. The value chain also includes waste generated in operations. Most of this consists of waste arising from the construction, reconstruction and repair of energy transmission networks, which is classified as construction and demolition waste.

Group value chain



SBM-2 Stakeholder interests and views

Stakeholder engagement is considered a fundamental condition for the Group's responsible operations. The aim is not only to contribute to building a sustainable future for society but also to encourage stakeholders to act together. Ongoing dialogue with stakeholders helps to identify environmental and social challenges, understand their expectations and priorities, and use the information obtained in shaping the Group's strategy and sustainability directions.

Stakeholder expectations and their changes are monitored on a regular basis. Meetings with the shareholder are held periodically, and employee and customer satisfaction assessments are carried out annually. Identified changes and relevant expectations are integrated into action plans or, where necessary, lead to the initiation of strategy adjustments, thereby ensuring continuous improvement of operations.

> **The Group's long-term strategy has been developed taking into account stakeholder expectations, with the aim of enabling the transformation of Lithuania's energy sector and ensuring the sustainable and advanced development of the Group companies. Efforts are made on an ongoing basis to strengthen stakeholder involvement in strategy development and other operational improvement processes. In response to evolving expectations, the applied dialogue and communication measures are periodically reviewed and enhanced.**

The Group's Double Materiality Assessment is based on the evaluation of stakeholder expectations and views. This process enables a better understanding of their priorities and key concerns. Based on the results of stakeholder engagement, material sustainability topics are identified, sustainability targets and projects are defined, and processes are updated to ensure alignment not only with legal requirements but also with the actual needs of stakeholders. Further information on stakeholder engagement

in the double materiality assessment process is provided in the section *Group's Double Materiality Assessment* of this Sustainability Report.

Information on stakeholder interests, views and operational matters (including complaints) is periodically submitted to the Group's administrative, management and supervisory bodies during regular or thematic meetings, integrating these topics into the decision-making agenda.

The table below provides an overview of the Group's key stakeholders, their involvement in strategy (in relation to sustainability matters) and the Double Materiality Assessment.

The table below shows ways of the Group's stakeholders engagement:

Key stakeholders	Importance of stakeholder involvement in strategy and key stakeholder expectations	Ways of engagement	Ways of engagement in the DMA process	Material sustainability topics and their position in the value chain
Employees	The aim is to create a workplace where employees feel aligned with the Group's vision and objectives. The Group's strategy includes a commitment to fostering a safe and positive working environment and culture. Maintaining a high level of employee engagement and a strong sense of community is considered important. Key expectations: • ensuring a fair working environment and remuneration; • employee health and safety across the Group; • an inclusive and empowering Group culture; • social dialogue and inclusive participation in addressing employee-related matters; • transparent commitments established through collective agreements.	• Annual employee engagement surveys and other surveys on employee well-being topics; • Regular employee meetings and sharing of information and updates via the intranet; • Ongoing dialogue with the works council and trade union representatives; • Information and consultation with trade union and (or) works council representatives on decisions related to employment relationships.	Written survey to: • Head of the Group People and Culture function; • Trade union representatives; • Analysis of internal documents and sustainability reports.	Own workforce. Entire value chain.
Customers	The aim is to be a customer-oriented organisation that ensures smooth and high-quality services for customers. Understanding customer needs is considered essential in developing services and (or) solutions that meet their expectations while contributing to the implementation of the Group's strategy. Key expectations: • Transmission system development and services, RES integration and conditions; • Energy advisory services; • Sustainable biofuel system services.	• Organisation of timely information events for customers; • Regular customer surveys across the Group companies; • Articles and communication through social media.	Document analysis: publicly available information and operational reports of the Group's largest customers.	Consumers and end users Downstream.
Shareholders and investors	The aim is to ensure a return on investment aligned with an acceptable risk profile, sustainability objectives and the principles of transparent operations, while developing activities that contribute to the country's economic growth. It is recognised that the success of strategic projects depends directly on shareholder trust and timely decision-	• Publishing interim (quarterly) and annual reports on the Group's financial and operational performance. • Regular meetings to discuss relevant matters;	Document analysis: Review of the letter of expectations of the Ministry of Energy of the Republic of Lithuania.	All topics. Entire value chain.

Key stakeholders	Importance of stakeholder involvement in strategy and key stakeholder expectations	Ways of engagement	Ways of engagement in the DMA process	Material sustainability topics and their position in the value chain
	making; therefore, shareholder expectations are consistently taken into account when setting strategic priorities and strengthening sustainability-related governance. Key expectations: • Stable financial returns and efficient use of capital; • Resilience of critical infrastructure and the energy system; • Green energy transformation and system flexibility; • Implementation of the Group's sustainable operations principles and sustainability targets.	• Provision of ESG data to investors and publication of additional information on the Group's website.		
National regulatory authority	Cooperation with the regulator enables the Group companies not only to ensure compliance with legal requirements but also to strengthen long-term operational stability and trust. Key expectations: • Timely provision of reliable operational data of the Group; • Transparency and justification of tariff calculations of the Group companies; • Compliance of the Group's activities with EU and national requirements.	• Timely provision of information required for the regulator to perform its functions; • Cooperation in the implementation of new market mechanisms; • Initiation of meetings to discuss relevant matters.	Document analysis: • National Energy Regulatory Council; • the Agency for the Cooperation of Energy Regulators (ACER), which supervises and advises the NRAs of the EU Member States); • Review of the regulatory scope and information requirements arising from Lithuanian legislation and relevant Directives/Regulations.	All topics. Entire value chain.

Key stakeholders	Importance of stakeholder involvement in strategy and key stakeholder expectations	Ways of engagement	Ways of engagement in the DMA process	Material sustainability topics and their position in the value chain
Operational partners (suppliers, contractors)	The contribution of operational partners is essential in ensuring the continuity and efficiency of the Group's activities across the entire value chain. Cooperation with partners not only supports stable supply processes but also promotes adherence to high quality standards, the implementation of innovations and the achievement of sustainability targets. Operational partners are regarded as strategic partners contributing to the efficiency and resilience of the value chain and its ability to respond promptly to changing market conditions and increasing environmental and social requirements. Key expectations: • Clear Group procurement criteria and conditions, transparency, including sustainability requirements.	• Consultation with market participants and market research; • Publication of procurement plans and the procurement policy; • Regular organisation of Supplier Day events.	Document analysis: • Publicly available information and reports of the largest and smallest operational partners; • Results of operational partner surveys.	Value chain workers; Supplier relationship management; Upstream.
Other partners (Non-governmental organisations (NGOs), associations, academia)	The objective is to ensure clean, safe and affordable energy supply to society and to promote clean and accessible energy solutions. Attracting high value-added talent is considered essential to enable the green energy transformation.	• Establishment of partnerships with non-governmental organisations (NGOs) and academia; • Participation in university events (i.e. career days); • Cooperation in the implementation of investment projects; • Memberships in associations.	Document analysis: analysis of publicly available information.	S3 Affected communities. Entire value chain.
Media	It is important for the Group to remain aligned with public interests and to provide society with up-to-date information on the progress of the Group's activities. Key expectations: • Clear communication of sustainability objectives and implemented projects.	• Constructive relationship with media representatives covering energy topics, including the provision of sufficient information to assess the Group's financial and non-financial performance and ongoing projects; • Organisation of press conferences; • Disclosure of information to meet public information needs.	Document analysis: analysis of publicly available information.	All topics. Entire value chain.
Local communities	The objective is to ensure a clean, safe and affordable energy supply to society and to promote clean and accessible energy solutions. Our long-term strategy	• Information events for local communities on planned and ongoing projects;	Written survey of Group representatives responsible for community relations.	Affected communities.

Key stakeholders	Importance of stakeholder involvement in strategy and key stakeholder expectations	Ways of engagement	Ways of engagement in the DMA process	Material sustainability topics and their position in the value chain
	includes a commitment to creating a positive impact on communities; therefore, community support is considered important in the implementation of material Group projects. During project implementation, constructive dialogue is sought and, where possible, due consideration is given to substantiated community comments. Key expectations: • Management of impacts related to safety, noise, pollution and traffic; • Appropriate compensation and grievance handling mechanisms. • Clear information on planned and ongoing works near residential areas.	• Periodic meetings with community representatives.		Entire value chain.
Nature	-	-	Analysis of regulations, scientific articles, internal company documents and other sources.	Environmental topics. Entire value chain.

Group's Double Materiality Assessment

IRO-1 Description of the processes for identifying and assessing impacts, risks and opportunities

The 2025 Double Materiality Assessment was conducted in line with the double materiality principle, assessing sustainability matters from impact and/or financial materiality perspectives. A sustainability matter is considered material if it meets the defined impact materiality and (or) financial materiality criteria. The assessment was conducted in accordance with the implementation guidance of ESRS and EFRAG (May 2024 version), taking into account the Group's strategy, business model, value chain and stakeholders. The assessment is conducted annually.

During the DMA, at the initial stage, the associated company Rheinmetall Defence Lietuva was included, however, it was determined that there are no significant impacts, risks or opportunities and/or there is no possibility to identify them. Rheinmetall Defence Lietuva's direct and main activities are planned for 2027, so there is currently no reliable data on potential impacts, risks and opportunities related to sustainability. The company was rightly not included in the further assessment. The assessment of Rheinmetall Defence Lietuva will be reviewed again next year.

We complemented the Group's DRM process with a consolidation phase of the Group's sustainability themes and sub-themes, combining the results of the dual materiality assessments carried out separately by Litgrid and Amber Grid into a single Group assessment in 2025.

Double Materiality Assessment process and methodology

The DMA was carried out in four stages:

Phase 1: Context analysis: aimed to understand the activities of the Group's companies, value chain partners and stakeholders.

Phase 2: Preliminary assessment: potentially material sustainability matters for the Group were identified.

Phase 3: Materiality assessment Potentially material sustainability matters at the Group level were evaluated from a double materiality perspective – impact and financial materiality.

To understand the context and scope of the assessment, the Group's activities and the upstream and downstream segments of the value chain were analysed, not limited to direct contractual business relationships. During this stage, maps of the Group's value chain and key stakeholders were prepared and used in the DMA.

Phase 4: Consolidation of Group topics and sub-topics: material sustainability topics and sub-topics were consolidated at the Group level, forming the basis for subsequent thematic disclosures.

Compilation of the list of potentially material sustainability matters

The list of potentially material sustainability matters was compiled based on the ESRS list of sustainability topics, sub-topics and sub-sub-topics (hereinafter – sustainability matters). These sustainability matters were analysed in the DMA, and their content is covered by the relevant topical ESRS.

During the second stage of the DMA, a preliminary assessment was performed to determine sustainability matters that are not material for the Group. Sustainability matters identified as not material were excluded from the subsequent DMA.

Stakeholder engagement

The Group's DMA included key stakeholders identified in the section *SBM-2 Stakeholder interests and views.* Nature was also included in the assessment and considered a silent stakeholder. In line with good practice, the perspective of nature was assessed through the analysis of thematic legislation, scientific articles and other publicly available sources of information.

Impact and financial materiality assessments were carried out with stakeholder involvement. Stakeholder engagement methods (i.e. different levels or methods of engagement) were selected in accordance with the AA1000 Stakeholder Engagement Standard. Different stakeholder engagement approaches were applied depending on:

- Whether relationships with stakeholders are linked to areas of high impact or the greatest dependency (as identified during the preliminary and main assessments);
- Stakeholders' perception of the Group.

The following stakeholder engagement methods were applied:

Direct engagement: stakeholders were engaged through direct surveys and (or) written questions.

Analysis of documentation and available sources: documents reflecting stakeholders' actions and commitments were analysed, such as sustainability reports, partners' operating policies and the results of previously conducted surveys. This approach was used to understand views and expectations at the organisational level or where individual responses were not available or relevant.

The stakeholder engagement methods, material ESRS sustainability matters and the position in the value chain are presented in the table in the section *SBM-2 Stakeholder interests and views.*

Impact and financial materiality

A detailed assessment of potentially material sustainability matters was carried out to identify material impacts, risks and opportunities. The assessment focused on areas of greatest likelihood of impacts, risks and opportunities based on the nature of the Group companies' activities, business relationships, geographic locations of operations and other relevant risk factors.

In accordance with ESRS requirements, the assessment included material value chain information. In assessing the Group's impacts, risks and opportunities, potentially relevant relationships were analysed. For example:

- relationships with value chain actors operating in so-called "hot spots", where actual or potential material impacts are likely; or
- relationships with actors critical to the Group's business model for goods or services.

The DMA started with the assessment of impacts and their links to dependencies, risks and opportunities. Material risks and opportunities that are not related to the Group's impacts were also considered.

The DMA was carried out in accordance with the time horizons defined in ESRS:

- short-term – corresponding to the reporting period used in the financial statements;
- medium-term – from 2 to 5 years,
- long-term: more than 5 years.

Impact materiality assessment methodology

Impact materiality was assessed by evaluating the Group's material actual or potential, positive or negative impacts on people and the environment over the short, medium and long term. The materiality of actual negative impacts was based on the severity of the impact, while that of potential negative impacts was based on their severity and likelihood.

Impact severity was assessed based on the following factors:

- **scale of the impact** (the scale of a negative impact may depend on compliance with laws, regulations and material intergovernmental agreements. For example, where a negative impact results in breaches of human rights or fundamental labour rights, or non-compliance with GHG emission limits as defined in the United Nations Framework Convention on Climate Change (Paris Agreement), the scale of the impact may be considered greater);
- **scope of the impact** (the scope is determined by the geographical extent of environmental harm (environment), the number of affected stakeholders (social), and the extent to which business conduct affects the environment and stakeholders (governance));
- **irreversible nature of the impact** (the assessment takes into account whether there is any possibility of remediation at all, depending on the nature of the damage and the remediation solutions (natural, technological, etc.). The time and resources required to remedy the impact and (or) its cause were also considered. For actual or potential positive impacts, irremediability is not assessed.
- When assessing potential negative impacts on human rights, severity takes precedence over likelihood.

The materiality of positive impacts was determined: (i) for actual impacts – based on scale and scope; and (ii) for potential impacts – based on scale, scope and likelihood.

Identified actual positive, actual negative, potential positive and potential negative impacts were scored and assigned to one of five categories: not material, informative, important, material and critical.

Impact materiality assessment principles and sources to determine environmental impacts

Principles	Sources
The energy sector as a 'hot spot'. EPSO-G is a state-owned group of energy transmission and exchange companies, and as such, activities related to the transmission of electricity, the transport of natural gas, and the operation, maintenance and development of transmission systems have been identified as the most important environmental impact areas.	Severity and likelihood parameters were assessed based on available information and sources, including publicly available information on the Group companies and interviews with company employees; scientific research data; and reviews by international organisations on the environmental impacts of the energy sector (ENCORE, Forest Landscape Integrity Index).
Conservative approach. The Impact materiality assessment employed conservative approach. Where analysis of the Group companies' direct operations showed that a positive or negative impact occurs in at least one Group company, that impact was considered material for the entire Group. Material impacts arising from the activities of Group companies are attributed on the basis of scientific literature.	
Severity and likelihood of impact. In assessing the severity and likelihood of impacts, account was taken of the Group's policies and mitigation measures to manage environmental issues.	

Principles and sources for impact materiality assessment on social issues

Principles	Sources
Conservative approach. Severity parameters were assessed using a conservative approach, considering potential non-compliance or the most significant potential impact. Where sub-sub-topics could be associated with both negative and positive impacts (e.g. working time and work–life balance), depending on the stakeholder sub-group, only negative impacts were assessed.	Severity and likelihood parameters were assessed based on available information and sources, including publicly available reports, internal procedures and existing policies of the Group companies; annual reports of business partners and their material topics, where available; industry ratings and materiality maps (e.g. SASB, MSCI); European Union and national legislation, as well as studies and reviews by international organisations (e.g. UN, EU, ILO, OECD); statistical analyses and datasets (Official Statistics Portal, NUMBEO); information provided by industry stakeholder organisations on social and human rights impacts; and the results of stakeholder engagement carried out during the DMA.
Impact "hot spots" The preliminary assessment identified "hot spots" for certain sub-sub-topics, and scores were assigned based on the potential impact associated with those hot spots.	
Severity and likelihood of impact. The assessment of the severity and likelihood of impacts has taken into account the policies and mitigation measures applied by the Group and the tangible results they produce. In the case of a human rights violation, the severity of the impact takes precedence over the likelihood, so likelihood was not assessed.	

Principles and sources for assessing the significance of impacts on governance issues

Principles	Sources
'Hot spots' in the sector. EPSO-G's business and management model is largely subject to sectoral regulations and restrictions. The main regulator of the company's activities is the National Energy Regulatory Council. Also relevant are the National Regulatory Authorities (NRAs) of the EU Member States, along with the Agency for the Cooperation of Energy Regulators (ACER), which supervises and provides advice. The companies' activities were assessed taking into account the local business environment, the regulatory framework, as well as national and international requirements and applicable policies.	Severity and likelihood parameters were assessed based on available information and sources, including information from VERT and the Agency for the Cooperation of Energy Regulators; existing policies; annual reports of business partners and their material topics; other publicly available information of the Group; the Law of the Republic of Lithuania on the Protection of Whistleblowers implementing the EU Whistleblowing Directive; and the results of stakeholder engagement carried out during the DMA.
Regulation of the value chain. Policies and governance practices related to the value chain were assessed.	
Severity and likelihood of impact. In assessing severity and likelihood, the Group's policies and mitigation measures addressing business ethics matters were taken into account.	

Financial materiality assessment methodology

Financial materiality was assessed to evaluate sustainability-related financial risks and opportunities for the Group. The assessment considered the magnitude of the financial effects and their likelihood of occurrence arising from both direct operations and the value chain over the short, medium and long term.

At this stage, the Group's risk assessment methodology was applied and adapted to sustainability matters. The assessment assumed that sustainability-related risks and opportunities may arise from the Group companies' impacts on the environment and stakeholders and (or) from dependencies on resources (including relationships). Accordingly, the financial materiality assessment was carried out after the impact materiality assessment.

Identified risks and opportunities were scored and assigned to one of five categories: not material, informative, important, material and critical.

The Group's financial materiality assessment evaluated sustainability matters in a sequential order:

1. Where a topic had already been included in the Group's / Group companies' risk register, the corresponding risk assessment was transferred directly (at the Group level).
2. Where the financial exposure of a risk was known (e.g. the amount of a fine or the cost of a project or investment), it was compared with the Group's annual revenue and the risk impact was determined in accordance with the Group's risk assessment methodology.
3. Where the financial exposure could not be determined, the financial impact on the Group was assessed using expert judgement and a risk impact scale (covering impacts on human health, business continuity, reputation or the environment).

Methodology for the consolidation of the Group's impacts, risks and opportunities

In 2025, comprehensive DMAs were carried out for the Group companies Litgrid and Amber Grid, including stakeholder and value chain mapping. Consolidation aimed at integrating and disclosing the topics and sub-topics, as well as the impacts, risks and opportunities specific to the Group companies, taking into account their unique characteristics, business areas and activities. Common topics and sub-topics for the entire Group, as well as Group-level impacts, risks and opportunities, were also identified.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

DMA results

The results of the Group's DMA – material impacts, risks and opportunities – are presented in the table and matrix below.

The most material sustainability matters for the Group are those that do not include matters whose materiality categories were assessed as "important", "informative" or "not material" from the impact perspective and as "important", "informative" or "not material" from the financial perspective.

The materiality threshold for sustainability matters (most material topics) was determined based on the specific nature of the Group's activities, its long-term business strategy, commitments to stakeholders, shareholder expectations, as well as good practice and expert recommendations. **A sustainability matter exceeds the materiality threshold if it is classified as "material" or "critical" in either the impact or the financial assessment.**

Following the addition of the consolidation stage to the 2025 DMA process, the sub-topic "Air pollution" was found not to be material at the consolidated Group level but material for the Group company Amber Grid. In line with this consolidation principle, the topic "Air pollution" has been newly included in the Group's consolidated matrix and in the list of impacts, opportunities and risks for 2025. Subsequent topical disclosures cover only the impacts and risks arising from the operations of Amber Grid.

In 2025, the sustainability matters "whistleblower protection" and "species population size", taking into account the activities and strategy of the Group companies, are exceptionally classified as material for the Group, even though they do not exceed the materiality threshold. It is noted that the sub-topic "species population size" was classified as "important" in the 2025 impact materiality assessment (in the 2024 assessment, the sub-topic had been classified as "material" from the impact perspective).

Within the Group, the DMA is carried out in accordance with an approved process. The process involves not only the heads of Group functions and their teams but also top management, which approves the DMA process, the assessment and its results. The Group's DRM process and results are reviewed by the Group Audit Committee.

The Group will continue to systematically integrate the DMA methodology, principles and results into its strategy and risk management processes.

Consolidated Group impacts, risks and opportunities

Subtopic	Impacts, risks or opportunities		Group company	Value chain segment	Time horizon*	Link to business model and strategy
E1 Climate Change						
Climate change adaptation	⊖ Actual negative impacts	Actual negative impacts on climate change adaptation in the upstream value chain due to biomass extraction.	Entire Group	Upstream value chain	-	The Biomass Exchange operates in accordance with national and international legislation. Environmental and sustainability policies aim to reduce environmental and human impacts and ensure the implementation of international and national sustainability requirements in biofuel trading activities.
Climate change mitigation	⊖ Actual negative impacts	Actual negative impacts on climate change mitigation due to the Group's GHG emissions.	Entire Group	Own operations	-	Integrating RES into the transmission grid. Zero GHG target by 2040–2050 Group Climate risk assessment. Investment plans for Group companies. Green bonds. Environmental and sustainability policies set out to reduce impacts on the environment and people.
	⚠ Risks	Financial risk related to climate change mitigation arises from the need to finance infrastructure upgrades and invest in new technologies to reduce the Group's impact on climate change (GHG emission reduction).	Entire Group	Own operations	Short-term	
Energy	⊖ Actual negative impacts	Actual negative impacts on the energy topic due to the activities of the Group companies and operations within the Group's value chain.	Entire Group	Own operations	-	
	⚠ Risks	Financial risk arises from legal regulation and financial commitments (bonds), which will negatively affect the Group (investments will be made in new technologies, additional taxes will be paid, and energy will be purchased from renewable sources).	Entire Group	Own operations	Medium-term	
E2 Pollution						
Air pollution	⊖ Actual negative impacts	Actual negative impacts on air pollution due to emissions from fuel-burning equipment (compressors, boilers, generators) that release nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants.	Amber Grid	Own operations	-	Environmental and sustainability policies set out to reduce impacts on the environment and people. Investing in an electric compressor.
	⚠ Risks	Investments in new and clean technologies may be needed to implement EU and national legislation and strategies.	Amber Grid	Own operations	Short-term	

E4 Biodiversity and ecosystems						
Land-use changes	⊖ Actual negative impacts	The actual impact is related to land-use change resulting from the effects of network infrastructure on ecosystems and the extraction of biomass at the upstream stage of the value chain.	Entire Group	Upstream and direct activities	-	The strategy sets a target of no biodiversity loss. Guidelines to establish a biodiversity impact methodology will be developed in 2026–2027. Environmental and sustainability policies set out to reduce impacts on the environment and people.
Species population size	⊖ Potential negative impacts	Potential negative impacts on species population size may be associated with the development and maintenance of energy infrastructure.	Entire Group	Own operations	-	
	⚠ Risks	Financial risk arises from legal regulation (conducting an EIA, paying taxes, and implementing impact mitigation and natural environment restoration measures after infrastructure works).	Entire Group	Own operations	Medium-term	
E5 Resource use and circular economy						
Inputs and outputs	⊖ Potential negative impacts	Potential negative impacts on inputs and outputs may arise from the planned development of energy transmission infrastructure.	Entire Group	Own operations	-	Building a sustainable supply chain within the Group. Environmental and sustainability policies set out to reduce impacts on the environment and people.
Waste	⊖ Actual negative impacts	Actual negative impacts arise from waste generated by the Group's operations and throughout the value chain.	Entire Group	Own operations	Short-term	Environmental and sustainability policies set out to reduce impacts on the environment and people.
S1 Own workforce						
Working conditions	⊖ Actual negative impacts	Actual negative impacts on the work-life balance of employees working in field conditions.	Entire Group	Own operations	Short-term	The strategy establishes a direction to create a safe and positive work environment and culture. Monitoring the employee engagement rate. Developing a reward system. Remuneration, performance appraisal and development, equal opportunities, selection, health and safety policies. Code of Ethics.
Fair remuneration	⊕ Actual positive impacts	Actual positive impacts on employees resulting from the transparent implementation of the remuneration policy.	Entire Group	Own operations	-	
Employee representation	⊕ Actual positive impacts	Actual positive impacts on employees are created through open and proactive communication and engagement with trade unions, works councils and employees.	Entire Group	Own operations	-	

Health and safety	⊖ Potential negative impacts	Potential negative impacts on employees' health and safety due to specific working conditions, particularly for those working on sites and in outdoor environments.	Entire Group	Own operations	Short-term	
	⚠ Risks	Financial risks for employees arise from non-compliance with health and safety requirements.	Entire Group	Own operations	Short-term	
Training	⊕ Actual positive impacts	Actual positive impacts arise from the provision of internal and external skills development programmes and job improvement programmes for all Group employees.	Entire Group	Own operations	-	
Gender equality and diversity	⊖ Actual negative impacts	Actual negative impacts on employee well-being manifested through a clear gender imbalance, pay gaps between genders in certain professions for the same positions, and a lack of training and education on this topic.	Entire Group	Own operations	-	
Persons with disabilities	⊖ Actual negative impacts	Actual negative impacts on employees due to the minimal inclusion of persons with disabilities.	Entire Group	Own operations	-	
Privacy	⊖ Potential negative impacts	Potential negative impacts due to improper processing of personal data, improper processing of personal data by third parties, and personal data security breaches that may adversely affect employees' rights as data subjects.	Entire Group	Own operations	Short-term	Employees of Group companies are made aware of the privacy legislation and its provisions.
S3 Affected communities						
Communities	⊖ Actual negative impacts	Actual negative impacts on communities arise from the nature of the Group's activities and the specifics of the energy sector (noise, dust, traffic restrictions, etc.).	Entire Group	Own operations	-	The strategic direction is to empower people and create positive impacts on communities.
S4 Consumers and end users						
Access to quality information	⊖ Potential negative impacts	Potential negative impacts on consumers and end users arise from the failure to provide information and from the provision of inadequate information.	Entire Group	Own operations	Short-term	Impacts are managed through the implementation of legal acts that define the provision of information to stakeholders. Service continuity is a core objective and commitment of the Group's business and is described in Chapter 3 *Business Strategy and Planned Investments* of the Management Report.
Access to services	⊖ Potential negative impacts	Potential negative impacts on access to services may arise across the value chain due to a possible failure to ensure service continuity.	Entire Group	Own operations	Short-term	

G1 Business ethics						
Corruption and bribery	Potential negative impacts	Potential negative impacts on stakeholders' rights may arise from corrupt or unethical practices across the value chain.	Entire Group	Entire value chain	Short-term	A zero-tolerance approach to corruption is applied. *ISO 37001:2016 Anti-bribery management systems – Requirements with guidance for use* has been implemented. Code of Ethics.
Corporate culture	Potential negative impacts	Potential negative impacts may arise from possible non-compliance with the Group's policies or the principles enshrined therein, including provisions on transparency, accountability, diversity, inclusion and ethical conduct.	Entire Group	Own operations	Short-term	Code of Ethics and Anti-Corruption Policy.
Whistleblower protection	Potential negative impacts	Financial risks arise in cases where criminal activity is identified and the related consequences lead to financial costs for pre-trial investigations, criminal and (or) civil liability, and negative reputational impacts.	Entire Group	Own operations	Short-term	An internal channel for reporting violations has been established – a trust line.
	Opportunities	Providing stakeholders (from employees to other stakeholder groups) with the opportunity to raise concerns on issues relevant to them and to have those issues resolved creates financial opportunities (as suppliers for whom the protection of their rights is important participate in procurement, communities do not create precedents for project delays, and external financiers also assess the Group more favourably and may provide financing).	Entire Group	Own operations	Medium-term	The identified financial opportunities arise for the company itself rather than for the entire sector. The opportunity is already being utilised, as an internal whistleblowing channel has been implemented and is operational. The opportunity is related to maintaining and strengthening the channel and ensuring its effectiveness, rather than to a separate business or sustainability strategy direction.
Relationships with partners	Potential negative impacts	Potential negative impacts on stakeholders' rights may arise from the fact that most suppliers are selected through public procurement processes, where violations or non-compliances may occur and affect stakeholders.	Entire Group	Own operations	Short-term	Partner Code of Ethics. Partner screening process. Screening against national and international sanctions. Procurement policy. Building a sustainable supply chain within the Group.

Materiality time horizon: short-term – up to 1 year; medium-term – 2–5 years; long-term – more than 5 years. If the impact is actual, the time horizon is not specified and is marked as "–".

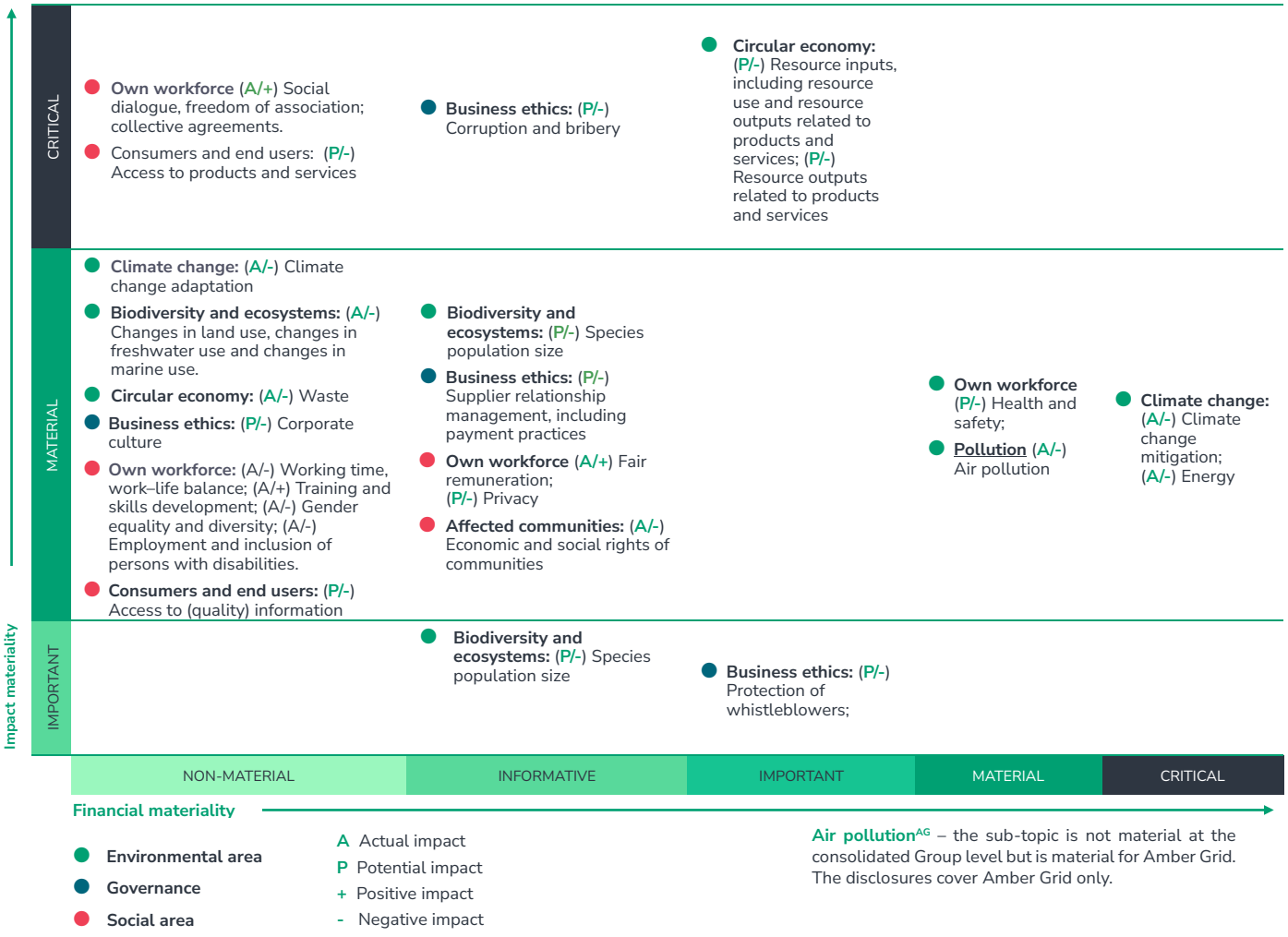
48(d). Existing financial effects of material sustainability topics

Sustainability-related risks and opportunities had no material effect on the Company's financial position, financial performance or cash flows. No risks or opportunities were identified that would have a material effect on the carrying amounts of the Group's assets or liabilities.

48(f). Resilience of the strategy and business model

The resilience of the Group's strategy and business model in addressing material impacts, risks and opportunities was assessed as part of the double materiality assessment and the climate risk assessment. No separate analysis of strategy and business model resilience was conducted.

The Group's double materiality matrix



IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement

The table of contents listing the disclosure requirements that were applied in preparing the Sustainability Report, considering the results of the DMA, is provided in the *ESRS Index* section of this report. The table of all datapoints required to be disclosed under other EU legislation, as specified in Appendix B of the ESRS, is provided in the *Annexes* section of this report. Climate change is a material topic for the Group and is included in this report. The scope and content of the material information to be disclosed at the Group level were determined based on the DMA.

MDR Minimum Disclosure Requirements

The Group 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.

MDR-P Policies adopted to manage material sustainability matters

Group policies are applied in the direct operations, and the heads of the Group companies are responsible for their implementation. Policies are developed and reviewed considering the interests and views of key stakeholders and are supported by the use of internationally recognised tools and (or) guidelines. The Group's operational policies are available on the Group's website in the section Operating policies.

Group policies	Policy description	Scope of application	The policy is based on internationally recognised tools and (or) guidelines	Link to the ESRS sustainability topic
Partner Code of Conduct (PCC)	The policy defines the minimum standards of conduct that EPSO-G Group companies expect all their partners to follow. It promotes lawful, professional, sustainable and fair business practices. These practices cover environmental protection, climate neutrality, human rights, labour standards and business ethics objectives.	Entire Group	The Code of Conduct for Partners is based on the principles of the United Nations (UN) Universal Declaration of Human Rights, the International Labour Organisation Convention, the UN Aarhus Convention, the UN Global Compact, and the UN Convention against Corruption.	G1 Management of relationships with suppliers E1 Climate Change E5 Resource use and circular economy S3 Affected communities
Code of conduct	The Code sets out the ethical principles and standards followed by EPSO-G Group companies in their operations and in building and maintaining relationships with the shareholder, society, business partners and other stakeholders. The Code is followed in daily activities by the employees of the Group companies, members of collegial bodies and other persons acting on behalf of the Group companies. The aim is for the principles and standards set out in the Code to become an integral part of the daily work culture. The Code is closely linked to the strategies and values of the Group and its companies.	Entire Group	-	G1 Business ethics S4 Consumers and end users
Sustainability Policy	The policy defines the key directions and principles of sustainable development that guide the operations of the Group companies and the development of an advanced organisational culture.	Entire Group	The policy is based on the UN Global Compact, the UN Framework Convention on Climate Change.	E1 Climate change S3 Affected communities E2 Pollution
Environmental policy	The policy defines the key environmental principles applied within the Group to reduce the environmental impact of its activities and to promote a culture based on sustainable development principles within the Group and its environment.	Entire Group	It is based on the UN Framework Convention on Climate Change, the EU European Green Deal and the UN Sustainable Development Agenda.	E1 Climate change E4 Biodiversity and ecosystems E2 Pollution S3 Affected communities
Policy on support and humanitarian aid	The policy sets out the key principles for granting support and (or) humanitarian aid, as well as the main criteria and requirements for the transparency and public disclosure of such support and (or) humanitarian aid.	Entire Group	-	S3 Affected communities
Anti-corruption policy	The policy defines the anti-corruption principles applied within the Group, the functions of the entities involved in anti-corruption activities and the measures implemented to create a corruption-resistant environment within the Group.	Entire Group	The policy is based on ISO 37001:2016 Anti-bribery management systems – Requirements with guidance for use.	G1 Business ethics; G1 Corruption and bribery
Remuneration, performance appraisal and development policy	The policy sets out clear and transparent principles for employee remuneration and performance evaluation within the Group, as well as a remuneration system based on these principles and the principles for learning, qualification development and professional growth.	Entire Group	-	S1 Own workforce

Occupational safety and health policy	The policy defines the general principles of occupational health and safety for the Group's employees and the main guidelines for their implementation. Its objective is to ensure employees' health in the workplace and to create a healthy, safe and productive working environment.	Entire Group	The policy is based on ISO 45001 Occupational health and safety management systems – Requirements with guidance for use.	S1 Own workforce
Equal opportunities policy	The policy defines the key principles applied in the Group companies to ensure that the principles of equal opportunities and non-discrimination are upheld in all areas of employment.	Entire Group	Policy is based on UN Sustainable Development Agenda.	S1 Own workforce
Procurement policy	The Policy sets out the unified principles governing the Group's procurement, strategic planning, coordination, contract performance, and oversight Group	Entire Group	-	G1 Management of relationships with suppliers

8.2. Environmental area

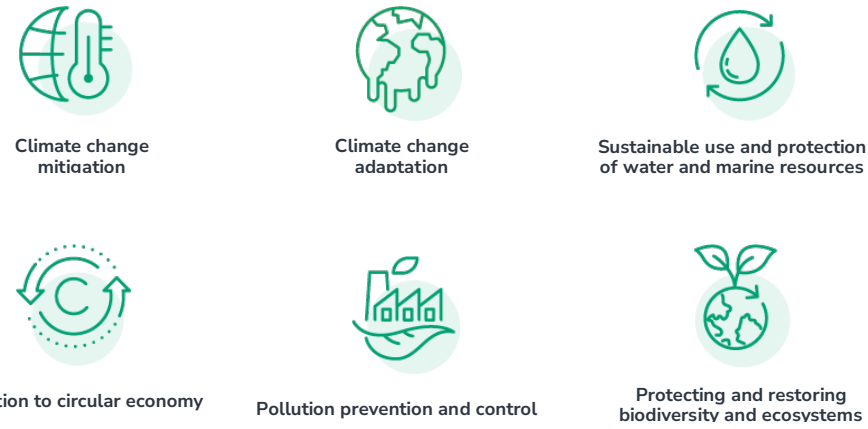
8.2.1. Disclosure under the EU Taxonomy Regulation

Legal framework and basis for disclosure

The EU Taxonomy Regulation (EU) 2020/852 (the Taxonomy Regulation) establishes a classification system for environmentally sustainable economic activities and sets out the criteria used to assess whether an economic activity qualifies as environmentally sustainable. The purpose of this Regulation is to increase investment in sustainable activities, enhance transparency, and enable investors, companies and policymakers to understand the extent to which activities contribute to the objectives of the European Green Deal – namely, achieving climate neutrality by 2050.

> **Taxonomy-aligned economic activity** – an activity defined in Article 3 of the EU Taxonomy Regulation that makes a substantial contribution to one or more of the specified environmental objectives, does no significant harm to any of the environmental objectives, complies with the minimum safeguards, and meets the technical screening criteria set out in the EU delegated acts.

Article 9 of the Taxonomy Regulation sets out six environmental objectives to which an economic activity must contribute in order to be considered environmentally sustainable:

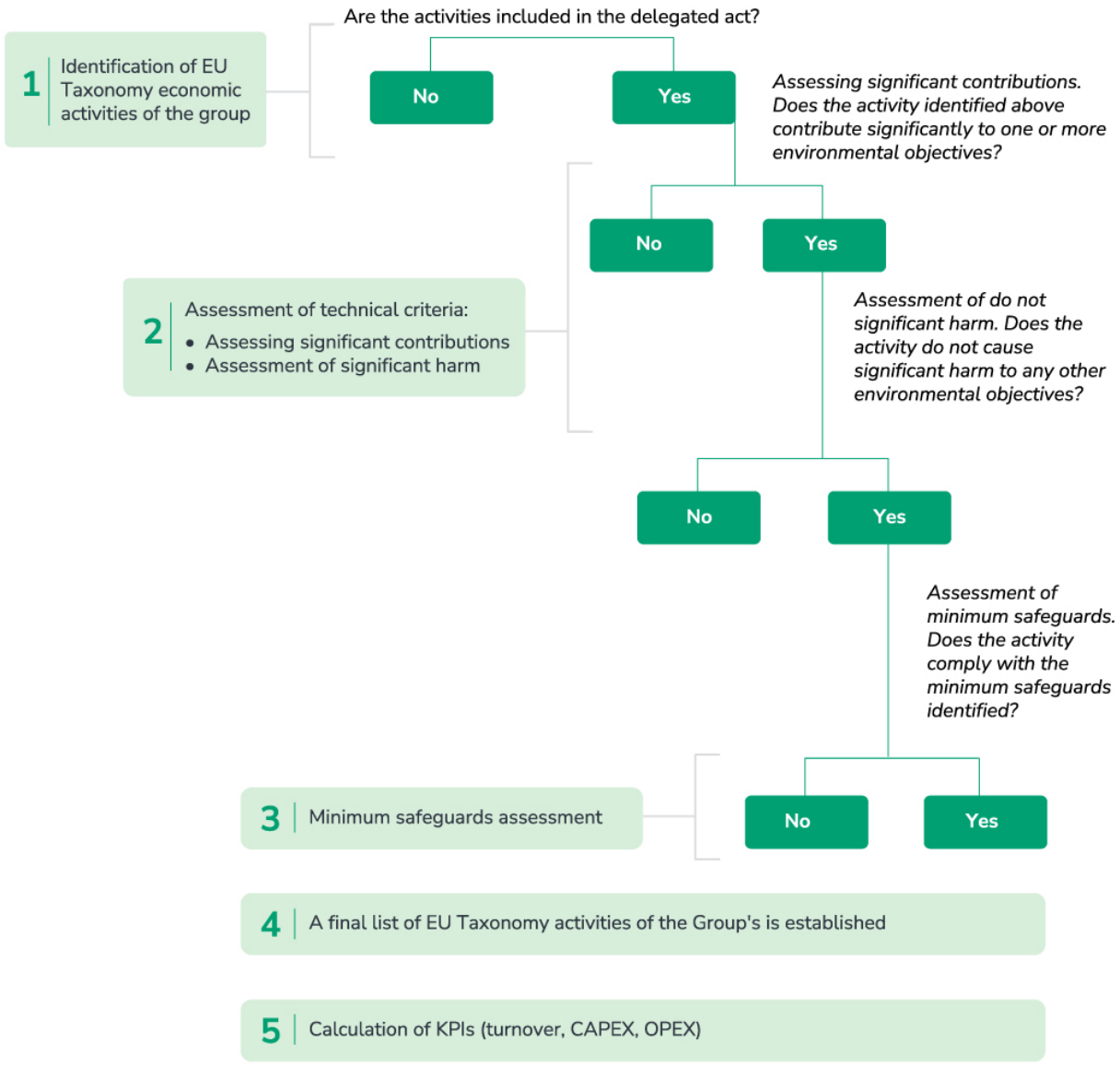


Under the Taxonomy Regulation, a list of environmentally sustainable activities has been established through Delegated Acts, together with the technical screening criteria applicable to each environmental objective. The main Delegated Acts are:

Delegated Acts	Purpose
Climate Delegated Act (EU) 2021/2139	establishes the economic activities and the technical screening criteria used to assess a substantial contribution to the climate change mitigation and climate change adaptation environmental objectives.
Complementary Climate Delegated Act (EU) 2022/1214	supplements the Climate Delegated Act by establishing the taxonomy assessment of nuclear energy and certain fossil gas activities, together with the specific criteria applicable to them.
Amended Climate Delegated Regulation (EU) 2023/2485	further specifies and expands the list of climate change mitigation and climate change adaptation activities, as well as the related technical screening criteria.
Environmental Delegated Act (EU) 2023/2486	establishes the economic activities and the technical screening criteria related to environmental objectives other than climate change mitigation and climate change adaptation.

These Delegated Acts clearly define the technical screening criteria used to assess whether an economic activity makes a substantial contribution to the relevant environmental objective and does no significant harm to other environmental objectives. Accordingly, an economic activity is considered environmentally sustainable only if it meets these criteria. The Taxonomy Regulation establishes the legal and methodological framework under which such compliance is assessed and determined.

The diagram below illustrates the assessment used to determine whether an economic activity is environmentally sustainable or environmentally unsustainable.



As a non-financial undertaking, the Group, in accordance with the Disclosures Delegated Regulation (EU) 2021/2178, discloses the proportion of its total turnover, capital expenditure and operating expenditure that is related to:

- taxonomy-aligned activities – activities included in the Delegated Acts that meet the criteria set out in Article 3 of the Taxonomy Regulation;
- taxonomy-eligible but environmentally unsustainable activities – activities included in the Delegated Acts but not meeting one or more of the criteria set out in Article 3 of the Taxonomy Regulation;
- non-taxonomy-eligible economic activities – activities that are not included in the Delegated Acts and do not fall within the scope of the Taxonomy Regulation.

In addition, we provide the qualitative information necessary to explain these KPIs, as required by Annexes I and II to the Disclosures Delegated Regulation (EU) 2021/2178.

Application of the Taxonomy Regulation

In assessing the alignment of the Group's economic activities with the Taxonomy Regulation, we apply a consistent assessment sequence. The main stages of this process are as follows:

1 Identification of taxonomy-eligible economic activities	At the Group level, we identify the economic activities that fall within the scope of the EU Taxonomy Regulation and the Delegated Acts. We review and update the Group's list of taxonomy-eligible economic activities.
2 Assessment of the substantial contribution criteria	At the Group level, we assess whether all previously identified taxonomy-eligible economic activities meet the technical screening criteria and make a substantial contribution to one of the six environmental objectives.
3 Assessment of compliance with the "do no significant harm" criteria for other environmental objectives	We perform a further assessment of the technical criteria. We assess whether the identified taxonomy-eligible economic activities do no significant harm (DNSH) to any other environmental objectives.
4 Verification of compliance with the minimum safeguards	At the Group level, we assess whether taxonomy-eligible economic activities are carried out in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
5 Determination of environmentally sustainable activities	At the Group level, we determine which taxonomy-eligible economic activities are classified as environmentally sustainable and environmentally unsustainable. We prepare the final list of environmentally sustainable economic activities.
6 Calculation of the financial key performance indicators (KPIs)	At the Group level, we calculate the turnover, capital expenditure (hereinafter – CapEx) and operating expenditure (hereinafter – OpEx) indicators related to the economic activities, in accordance with the accounting methodology.

Identification of the Group's taxonomy-eligible economic activities

Taxonomy-eligible economic activities were identified following a comprehensive analysis of the Group's activities against the criteria set out in the Climate Delegated Regulation (EU) 2021/2139, the Complementary Climate Delegated Regulation (EU) 2022/1214, the Amended Climate Delegated Regulation (EU) 2023/2485, and the Environmental Delegated Regulation (EU) 2023/2486.

Following the analysis, we determined that part of the Group's economic activities falls within the scope of the Taxonomy Regulation and is related to the climate change mitigation environmental objective defined in Article 10 of the Taxonomy Regulation. Some of the Group's economic activities are included in Annexes I and II to the Climate Delegated Regulation (EU) 2021/2139, meaning that, by their nature, they may be assessed as contributing to both climate change mitigation and climate change adaptation.

> **Taking into account the nature of the Group's activities and their linkage to the objective set out in Article 10 of the Taxonomy Regulation, the economic activities were attributed to the climate change mitigation environmental objective.**

Following the analysis under the Environmental Delegated Regulation (EU) 2023/2486, we determined that none of the economic activities defined therein correspond to the nature of the Group's operations.

We also determined that the activities related to nuclear energy and gas defined in the Complementary Climate Delegated Regulation (EU) 2022/1214 are not relevant to the Group's activities. For this reason, information on these activities is disclosed

only in Template 1 of Annex XII to the Disclosures Delegated Regulation (EU) 2021/2178, as required by the Regulation, without including them in the detailed Taxonomy tables.

In the Taxonomy tables, we present the turnover, CapEx and OpEx indicators covering only those economic activities identified as taxonomy-eligible in accordance with the applicable Climate Delegated Regulations referred to above. During the reporting period, we identified a new taxonomy-eligible but non-aligned activity – Operation of personal mobility devices, cycle logistics (6.4). The list of the Group's taxonomy-eligible activities is provided below:

Environmental objective under the Delegated Acts, activity code and title	Description of the economic activity	Group companies carrying out the activity	Alignment with the climate change mitigation objective
CCM 4.1 / CCA 4.1 Electricity generation using solar photovoltaic technology	Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.	Amber Grid Litgrid	Taxonomy-aligned activity
CCM 4.9 / CCA 4.9 Transmission and distribution of electricity	Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system.	Litgrid Tetas	Taxonomy-aligned activity
CCM 4.10 / CCA 4.10 Storage of electricity	Construction and operation of facilities that store electricity and return it at a later time in the form of electricity. The activity includes pumped hydropower storage.	Energy Cells	Taxonomy-aligned activity
CCM 4.14 / CCA 4.14 Transmission and distribution networks for renewable and low-carbon gases	Conversion, repurposing or retrofit of gas networks for the transmission and distribution of renewable and low-carbon gases. Construction or operation of transmission and distribution pipelines dedicated to the transport of hydrogen or other low-carbon gases.	Amber Grid	Taxonomy-aligned activity
CCM 6.4 / CCA 6.4 Operation of personal mobility devices, cycle logistics	Operation of personal mobility devices, cycle logistics.	Litgrid	Taxonomy-eligible but environmentally unsustainable activity
CCM 6.5 / CCA 6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Purchase, financing, renting, leasing and operation of vehicles designated as category M1, N1, both falling under the scope of Regulation (EC) No 715/2007, or L (2- and 3-wheel vehicles and quadricycles).	All Group companies	Taxonomy-eligible but environmentally unsustainable activity
CCM 7.2 / CCA 7.2 Renovation of existing buildings	Construction and civil engineering works or preparation thereof.	Amber Grid Litgrid	Taxonomy-eligible but environmentally unsustainable activity
CCM 7.4 / CCA 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings.	Amber Grid Litgrid	Taxonomy-aligned activity
CCM 7.6 / CCA 7.6 Installation, maintenance and repair of renewable energy technologies	The activity consists in one of the following individual measures, if installed on-site as technical building systems: installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment.	TETAS	Taxonomy-aligned activity

The turnover, CapEx and OpEx key performance indicators (hereinafter – KPIs) related to the climate change adaptation objective are presented as not-aligned.

Assessment of Taxonomy alignment

Below we present a detailed assessment of the taxonomy-eligible environmentally sustainable activities. Considering the nature of the Group's activities and their linkage to the objective set out in Article 10 of the Taxonomy Regulation and the Climate Delegated Regulation (EU) 2021/2139, these activities were attributed to the climate change mitigation environmental objective. Therefore, the primary focus of the Taxonomy disclosures is on the climate change mitigation objective.



4.1 Electricity generation using solar photovoltaic technology

Substantial contribution to climate change mitigation

The Group companies Amber Grid and Litgrid generate electricity for their own use using solar power plants installed on the companies' buildings. This activity meets the substantial contribution to climate change mitigation criterion set out in Annex I to the Climate Delegated Regulation (EU) 2021/2139, as electricity is generated using solar photovoltaic technology. By carrying out this activity, we increase the use of renewable energy sources and contribute to the reduction of GHG emissions by replacing electricity generated from fossil fuels with electricity produced from renewable energy sources.

We assess that the activity meets the substantial contribution to climate change mitigation criteria.

Do no significant harm criteria for other environmental objectives

Environmental objective	Compliance assessment
Climate change adaptation	We assess the activity's compliance based on the climate-related risk and vulnerability assessment presented in the relevant section of the report. We assess that the activity meets the climate change adaptation criteria set out in Appendix A to Annex I to the Climate Delegated Regulation (EU) 2021/2139.
Sustainable use of water and marine resources	The do no significant harm criteria are not applicable to this activity.
Transition to a circular economy	Solar photovoltaic modules use durable technologies with a design lifetime of up to 25 years. The modules are easily dismantled and replaceable, and the mounting structures are made of aluminium. The glass, plastic and metal contained in the modules can be recycled. We assess that the activity meets the transition to a circular economy criteria.
Pollution prevention and control	The do no significant harm criteria are not applicable to this activity.
Protection and restoration of biodiversity and ecosystems	The solar power plants have been installed in urbanised areas on existing buildings; therefore, the activity does not require additional land use and has no direct impact on natural habitats. The activity does not generate noise, vibrations or light signals that could disturb wildlife. An environmental impact assessment (EIA), EIA screening or a Natura 2000 appropriate assessment is not applicable to this activity. We assess that the activity meets the biodiversity and ecosystems protection and restoration criteria.

Taking the above into account, we assess that the activity – electricity generation using solar photovoltaic technology – does no significant harm to other environmental objectives and complies with the DNSH criteria set out in the Climate Delegated Regulation (EU) 2021/2139.



4.9 Transmission and distribution of electricity

Substantial contribution to climate change mitigation

The Group company Litgrid carries out the maintenance and technical servicing of electricity transmission infrastructure, electricity transmission, and the construction and operation of transmission systems through which electricity is transmitted via interconnected extra-high and high-voltage networks. This activity meets the substantial contribution to climate change mitigation criterion set out in Annex I to the Climate Delegated Regulation (EU) 2021/2139 – the electricity transmission system is interconnected with the European system, i.e. with the control areas of the European Union Member States, Norway, Switzerland and the United Kingdom, and the systems under their control.

The Group company TETAS performs contracting activities in the networks of electricity transmission and distribution system operators – implementing infrastructure construction, maintenance and reconstruction works. We assess that this activity meets the substantial contribution to climate change mitigation criteria set out in the Climate Delegated Regulation (EU) 2021/2139:

- construction, installation and operation of equipment and infrastructure where the main objective is to increase the generation or use of electricity from renewable energy sources in the electricity system;
- installation of equipment intended to enhance the controllability, observability and flexibility of the electricity system, thereby enabling the expansion of renewable energy sources and their integration into electricity transmission and distribution networks.

We are expanding the electricity transmission network and thereby creating the technical conditions for connecting and integrating renewable energy generation systems. The expansion and integration of renewable energy sources into the electricity transmission system is embedded in national strategic documents; therefore, our activities directly contribute to the achievement of these objectives and to the reduction of GHG emissions in the energy sector. Climate change mitigation aspects are integrated into our operational management – we implement GHG emissions reduction plans and other climate-related measures.

We assess that the activities meet the substantial contribution to climate change mitigation criteria.

Do no significant harm criteria for other environmental objectives

Environmental objective	Compliance assessment
Climate change adaptation	We assess the activity's compliance based on the climate-related risk and vulnerability assessment presented in the relevant section of the report. We assess that the activity meets the climate change adaptation criteria set out in Appendix A to Annex I to the Climate Delegated Regulation (EU) 2021/2139.
Sustainable use of water and marine resources	The do no significant harm criteria are not applicable to this activity.
Transition to a circular economy	Waste management is carried out in accordance with national legislation and environmental management systems compliant with ISO 14001 requirements. Hazardous and non-hazardous waste generated during operations is sorted, recorded and transferred to authorised waste managers under valid contracts. We promote the reuse and recycling of generated waste. We assess that the activity meets the transition to a circular economy criteria.
Pollution prevention and control	The activity is carried out in compliance with national environmental and occupational health and safety legislation and through management systems aligned with ISO 14001 and ISO 45001 standards. We conduct on-site inspections of employees and contractors, and identified non-conformities are recorded and addressed. We monitor electromagnetic field levels in overhead high-voltage lines and confirm that they do not exceed the limit values set in applicable hygiene standards. We are gradually reducing the use of SF_6 gas, implementing SF_6-free equipment and ensuring that personnel servicing the relevant equipment hold the required certifications. We implement preventive measures to manage potential environmental pollution incidents – including the installation of oil collection systems and oil separators. We assess that the activity meets the pollution prevention and control criteria.
Protection and restoration of biodiversity and ecosystems	Where required by the scale of activities, prior to the construction or reconstruction of new overhead electricity transmission lines, we carry out an environmental impact assessment (EIA), EIA screening or a Natura 2000 appropriate assessment. During these procedures, we identify potential impacts on biodiversity and ecosystems, define mitigation measures and implement them during project execution. We assess that the activity meets the biodiversity and ecosystems protection and restoration criteria.

Taking the above into account, we assess that the activity – transmission and distribution of electricity – does no significant harm to other environmental objectives and complies with the DNSH criteria set out in the Climate Delegated Regulation (EU) 2021/2139.

4.10 Storage of electricity

Substantial contribution to climate change mitigation

The Group company Energy Cells operates electricity storage facilities – installations in which electricity is stored and subsequently returned in the form of electricity. We operate four battery energy storage systems (BESS) in Lithuania with a total capacity of 200 MW and total storage capacity of 200 MWh. This activity meets the substantial contribution to climate change

mitigation criterion set out in Annex I to the Climate Delegated Regulation (EU) 2021/2139 – construction and operation of electricity storage systems, including pumped hydropower storage.

We assess that the activities meet the substantial contribution to climate change mitigation criteria.

Do no significant harm criteria for other environmental objectives

Environmental objective	Compliance assessment
Climate change adaptation	We assess the activity's compliance based on the climate-related risk and vulnerability assessment presented in the relevant section of the report. We assess that the activity meets the climate change adaptation criteria set out in Appendix A to Annex I to the Climate Delegated Regulation (EU) 2021/2139.
Sustainable use of water and marine resources	The business model does not include pumped hydropower storage and is not associated with water bodies. The BESS are not hydro-based; therefore, we assess that the activity meets the criteria for the sustainable use and protection of water and marine resources.
Transition to a circular economy	We have established a waste management plan that ensures the sorting, reuse or recycling of waste. Hazardous and non-hazardous waste management is carried out through authorised contractors under long-term agreements. Our long-term BESS maintenance contracts include provisions requiring contractors to record waste with recovery value and to transfer it for reuse or recycling. We assess that the activity meets the transition to a circular economy criteria.
Pollution prevention and control	The do no significant harm criteria are not applicable to this activity.
Protection and restoration of biodiversity and ecosystems	The BESS have been installed in urbanised areas – electricity transmission and distribution substations. An environmental impact assessment (EIA), EIA screening or a Natura 2000 appropriate assessment is not applicable to this activity. We assess that the activity meets the biodiversity and ecosystems protection and restoration criteria.

Taking the above into account, we assess that the activity – storage of electricity – does no significant harm to other environmental objectives and complies with the DNSH criteria set out in the Climate Delegated Regulation (EU) 2021/2139.



4.14 Transmission and distribution networks for renewable and low-carbon gases

Substantial contribution to climate change mitigation

The Group company Amber Grid operates the main natural gas transmission networks to which biomethane production plants supplying biomethane to the gas transmission system are connected. We also carry out maintenance and repair works on the gas pipeline network, during which methane leaks are identified and eliminated. These activities meet the substantial contribution to climate change mitigation criteria set out in the Climate Delegated Regulation (EU) 2021/2139:

- modification of gas transmission and distribution networks where the primary objective is to enable the integration of hydrogen and other low-carbon gases, including any gas transmission or distribution network activity that allows the network to increase the share of hydrogen or other low-carbon gases in the gas system;
- detection and repair of leaks in existing pipelines and other network elements in order to reduce methane leakage.

We assess that the activity meets the substantial contribution to climate change mitigation criteria.

Do no significant harm criteria for other environmental objectives

Environmental objective	Compliance assessment
Climate change adaptation	We assess the activity's compliance based on the climate-related risk and vulnerability assessment presented in the relevant section of the report. We assess that the activity meets the climate change adaptation criteria set out in Appendix A to Annex I to the Climate Delegated Regulation (EU) 2021/2139.
Sustainable use of water and marine resources	The connection and transmission of biomethane through the gas transmission network are not associated with the use of water or marine resources. The activity does not prevent the achievement of good status of water bodies and marine waters nor does it lead to their deterioration. We assess that the activity meets the criteria for the sustainable use and protection of water and marine resources.

Transition to a circular economy	The do no significant harm criteria are not applicable to this activity.
Pollution prevention and control	When integrating biomethane producers into the existing gas transmission system, we do not design or install new equipment subject to eco-design requirements under Directive 2009/125/EC. Methane leak detection and repair activities contribute to the reduction of air pollution and GHG emissions. We assess that the activity meets the pollution prevention and control criteria.
Protection and restoration of biodiversity and ecosystems	The connection of biomethane producers is carried out to existing gas pipelines; therefore, environmental impact assessment (EIA), EIA screening or Natura 2000 appropriate assessment procedures are not applicable to this activity. It should be noted that following the completion of the GIPL gas pipeline in 2022, environmental monitoring was carried out and did not identify any significant negative impact on biodiversity – habitats recovered naturally. We assess that the activity meets the biodiversity and ecosystems protection and restoration criteria.

Taking the above into account, we assess that the activity – transmission and distribution networks for renewable and low-carbon gases – does no significant harm to other environmental objectives and complies with the DNSH criteria set out in the Climate Delegated Regulation (EU) 2021/2139.

7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

Substantial contribution to climate change mitigation

During the reporting period, the Group companies Amber Grid and Litgrid operated electric vehicle charging stations that had already been installed for their own use. This activity meets the substantial contribution to climate change mitigation criterion set out in Annex I to the Climate Delegated Regulation (EU) 2021/2139 – in carrying out this activity, physical and non-physical solutions (adaptation solutions) have been implemented that significantly reduce the most relevant climate-related physical risk for this activity.

The operation of charging stations enables the electrification of transport and contributes to reducing the use of fossil fuels, thereby lowering GHG emissions in the transport sector. Electrification is embedded in national strategic documents; therefore, our activities directly contribute to the achievement of the State's climate change mitigation objectives.

During the reporting period, we did not incur additional capital or operating expenditure for this activity, as the maintenance and repair of the charging stations were carried out under the manufacturer's warranty obligations.

We assess that the activity meets the substantial contribution to climate change mitigation criteria.

Do no significant harm criteria for other environmental objectives

Climate change adaptation – we assess the activity's compliance based on the climate-related risk and vulnerability assessment presented in the relevant section of the report. We assess that the activity meets the climate change adaptation criteria set out in Appendix A to Annex I to the Climate Delegated Regulation (EU) 2021/2139.

For the remaining environmental objectives – the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems – the do no significant harm criteria are not specified.

7.6 Installation, maintenance and repair of renewable energy technologies

Substantial contribution to climate change mitigation

During 2023–2024, the Group company TETAS carried out activities including the installation of solar power systems for households and businesses, as well as their technical and operational maintenance. During the reporting period, we performed only warranty maintenance of the installed solar power systems. This activity meets the substantial contribution to climate change mitigation criterion set out in Annex I to the Climate Delegated Regulation (EU) 2021/2139 – installation, maintenance and repair of solar photovoltaic systems and ancillary technical equipment.

We assess that the activity meets the substantial contribution to climate change mitigation criteria.

Do no significant harm criteria for other environmental objectives

Climate change adaptation – we assess the activity's compliance based on the climate-related risk and vulnerability assessment presented in the relevant section of the report. We assess that the activity meets the climate change adaptation criteria set out in Appendix A to Annex I to the Climate Delegated Regulation (EU) 2021/2139.

For the remaining environmental objectives – the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems – the do no significant harm criteria are not specified.

Climate-related risk and vulnerability assessment

The main risks are presented in the "Risk Management Framework" section of the Integrated Annual Report and in the Sustainability Report section "E1-1 Climate change". When assessing climate risks, we determined that the impact of physical risks on our activities in the short, medium and long term (up to 2050) is relatively low, except for potential higher impacts in the event of floods and extreme water level fluctuations. The impact of transition risks at the Group level is also assessed as low – across all business segments we have identified opportunities to manage climate-related risks and have planned appropriate measures.

The table below provides an overview of the climate-related physical risks relevant to the Group's activities.

Activity specified in the Delegated Acts	Acute physical risk	Chronic physical risk
CCM 4.1 Electricity generation using solar photovoltaic technology	Heatwave, cold wave/freezing, wildfires, drought, heavy precipitation, snow and ice load, landslide, subsidence	Changing temperature, changing precipitation patterns, precipitation or hydrological variability, saltwater intrusion, sea level rise, water stress, geohazards, soil erosion
CCM 4.9 Transmission and distribution of electricity	Heatwave, wildfires, storms, wind gusts, lightning, flooding, snow and ice load	Changing precipitation patterns
CCM 4.10 Storage of electricity	Heatwave, heavy precipitation	Changing temperature
CCM 4.14 Transmission and distribution networks for renewable and low-carbon gases	Heatwave, cold wave/freezing, wildfires, storms, wind gusts, lightning, drought, heavy precipitation, flooding, snow and ice load, landslide, subsidence	Changing temperature, precipitation or hydrological variability, saltwater intrusion, sea level rise, water stress, geohazards, soil erosion
CCM 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Heatwave, cold wave/freezing, wildfires, drought, heavy precipitation, snow and ice load, landslide, subsidence	Changing temperature, changing precipitation patterns, precipitation or hydrological variability, saltwater intrusion, sea level rise, water stress, geohazards, soil erosion
CCM 7.6 Installation, maintenance and repair of renewable energy technologies	Heatwave	-

Assessment of compliance with the minimum safeguards

We assess the compliance of the Group's taxonomy-eligible activities with the minimum safeguards in accordance with Article 18 of the Taxonomy Regulation (EU) 2020/852. This Article requires that taxonomy-eligible economic activities are carried out in compliance with the minimum safeguards ensuring adherence to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We have implemented a system of policies, procedures and control measures in the areas of human rights, employee protection, equal opportunities, tax transparency, fair competition and anti-corruption. These provisions are embedded in the Equal Opportunities Policy, the Code of Ethics and the Partner Code. Considering the governance measures in place and their practical implementation, we assess that our taxonomy-eligible economic activities comply with the minimum safeguards set out in the EU Taxonomy Regulation.

Accounting policy

The calculation of the key performance indicators (hereinafter – KPIs) was carried out in accordance with the Disclosures Delegated Regulation (EU) 2021/2178. The KPI calculations and disclosures are presented in line with Article 2 of the Disclosures Delegated Regulation (EU) 2021/2178, which provides that:

1) Non-financial undertakings shall disclose the information referred to in Article 8(1) and (2) of Regulation (EU) 2020/852 as specified in Annex I to this Regulation.
2) The information referred to in paragraph 1 shall be presented in tabular format using the templates set out in Annex II to this Regulation.

The calculation methodology is based on the interpretation of the applicable European Commission guidance. Given the limited guidance available, we made certain assumptions (detailed alongside the respective KPIs) to support the implementation of the Regulation. Should new official European Commission guidance or established practice emerge, these assumptions will be revised and disclosed as appropriate.

We assumed that revenue (turnover), Taxonomy OpEx (operating expenditure under the Taxonomy) and Taxonomy CapEx (capital expenditure under the Taxonomy) that can be reasonably linked to identified taxonomy-eligible and/or taxonomy-aligned activities may accordingly be classified as KPIs of taxonomy-eligible and/or taxonomy-aligned activities. The Taxonomy revenue and CapEx KPIs are directly linked to the indicators used in the Management Report and the financial statements. Taxonomy OpEx includes only those costs required under the Disclosures Delegated Regulation (EU) 2021/2178.

For the calculation of consolidated data, we applied consolidation adjustments consistent with the principles used in the financial statements.

Calculation of revenue from taxonomy-eligible and/or taxonomy-aligned activities

In accordance with the Disclosures Delegated Regulation (EU) 2021/2178, the share of the Group's revenue from taxonomy-eligible and/or taxonomy-aligned economic activities was calculated by dividing the revenue from products or services associated with taxonomy-eligible and/or taxonomy-aligned activities (numerator) by the Group's total revenue (denominator).

The numerator includes the following Group revenue recognised as environmentally sustainable taxonomy-eligible economic activities:

- revenue of the electricity transmission system operator, excluding other non-typical operating income (revenue from administration of guarantees of origin, default interest, etc.);
- revenue in full from contracting works performed by the Group company at the request of the electricity distribution system operator in the course of development, repair and operation of energy infrastructure;
- revenue of the gas transmission system operator from activities related to transmission networks for renewable and low-carbon gases;
- revenue from contracting works generated from the installation, maintenance and repair of renewable energy technologies. In 2024, the Company completed the obligations carried over from previous periods and did not enter new contracts.

When calculating Taxonomy revenue, revenue from contracting works performed by Group companies for the electricity transmission system operator and services provided by the electricity storage operator to the electricity transmission system operator are eliminated from total revenue in accordance with IFRS 10 Consolidated Financial Statements.

The Group does not generate revenue from certain identified taxonomy-eligible economic activities, such as electricity generation using solar photovoltaic technology (activity code 4.1), installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (activity code 7.4), operation of personal mobility devices, cycle logistics (activity code 6.4), transport by motorbikes, passenger cars and light commercial vehicles (activity code 6.5), and renovation of existing buildings (activity code 7.2). These activities are carried out to ensure efficient operations and to optimise costs for the Group's own needs.

The revenue included in the denominator (net turnover) corresponds to the revenue presented in the Group's financial statements. Other income is not included in the denominator. Revenue from Taxonomy activities is recognised in accordance with IFRS 15 Revenue from Contracts with Customers, IAS 1 Presentation of Financial Statements and related standards and IFRIC interpretations, in line with the accounting policies described in the notes to the Group's financial statements.

Calculation of Taxonomy CapEx from taxonomy-eligible and/or taxonomy-aligned activities

In accordance with the Disclosures Delegated Regulation (EU) 2021/2178, the share of the Group's Taxonomy CapEx related to taxonomy-eligible and/or taxonomy-aligned economic activities was calculated by dividing the Taxonomy CapEx associated with assets or processes linked to taxonomy-eligible and/or taxonomy-aligned economic activities by the Group's total Taxonomy CapEx.

The numerator of the KPI includes the following Group CapEx recognised as environmentally sustainable taxonomy-eligible economic activities:

- capital expenditure of the electricity transmission system operator that met the technical screening criteria;
- capital expenditure of the electricity and gas transmission system operators related to the installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) was included in full.

Capitalised payroll costs, business travel expenses, interest and project costs financed by third parties and transferred to the Company free of charge were excluded from the CapEx calculation. CapEx includes all expenditure incurred during the reporting period, regardless of whether the asset has been put into operation or is still under development. Advance payments for property, plant and equipment were excluded from the numerator.

Capital expenditure of the Group companies performing contracting works was not included in the numerator, as the most significant investments relate to equipment, work devices and tools for which it is not possible to reliably attribute them to a specific project/activity, and the technical criteria set out in the Regulation are intended for projects rather than for goods or work equipment.

The denominator of the Group's CapEx includes additions to property, plant and equipment (hereinafter – PPE) and intangible assets, with the value of assets received from third parties eliminated. In the Group's financial statements, the carrying amount of PPE is presented net of received grants. The Taxonomy numerator and denominator were not reduced by grants received for the acquisition of the related assets in order to more fairly reflect the scale of investments undertaken.

Capital expenditure related to Taxonomy activities is recognised in accordance with IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. In intra-group transactions, the margin on contracting works (unrealised profit) is eliminated from the Group's capital expenditure in accordance with IFRS 10 Consolidated Financial Statements.

Calculation of Taxonomy OpEx from taxonomy-eligible and/or taxonomy-aligned activities

In accordance with the Disclosures Delegated Regulation (EU) 2021/2178, the share of the Group's Taxonomy OpEx related to taxonomy-eligible and/or taxonomy-aligned economic activities was calculated by dividing the portion associated with assets or processes linked to taxonomy-eligible and/or taxonomy-aligned economic activities by the Group's total Taxonomy OpEx.

In calculating Taxonomy OpEx, we included direct non-capitalised expenditure related to infrastructure maintenance and repair, research and development, building renovation measures, short-term leases, and all other direct expenditure associated with the day-to-day servicing of property, plant and equipment carried out by the undertaking or by a third party engaged for this purpose, which is necessary to ensure the continued and effective functioning of such assets. It should be noted that Taxonomy OpEx calculated in this way does not correspond to the Group's total operating expenses.

The Group's Taxonomy OpEx includes:

- operating expenditure of the electricity transmission system operator: including electricity network maintenance and repair costs and research and development costs in full, while payroll, information systems, transport and premises maintenance costs are included only for employees directly engaged in network maintenance;
- in full, the maintenance and repair costs of the electricity storage facilities operator (after eliminating intra-group transactions) and the payroll costs of operational control dispatchers;
- the portion of operating expenditure of the Group company performing contracting works attributable to services provided to the electricity distribution system operator.

Expenditure related to Taxonomy activities is recognised on an accrual basis in accordance with IAS 1 Presentation of Financial Statements, and intra-group transactions are eliminated in accordance with IFRS 10 Consolidated Financial Statements.

Double counting

When disclosing KPIs related to taxonomy-eligible and/or taxonomy-aligned activities, we avoided double counting, as each KPI is allocated to distinct and independent activities. To prevent double counting, where an economic activity contributes to multiple environmental objectives, the KPI was counted only once in the numerator. Where necessary, intra-group transactions were eliminated.

During the reporting period, the Group did not issue new environmentally sustainable bonds or debt securities intended to finance taxonomy-aligned economic activities. Nevertheless, it should be noted that in 2022 the Group issued one green bond, part of whose proceeds was used to finance taxonomy-aligned economic activities.

Contextual information on the KPIs defined in the Taxonomy Regulation

We disclose all KPIs based on the criteria for the climate change mitigation objective.

The percentage (in terms of total revenue) of revenue associated with taxonomic activities in 2025 was 85.2%, an increase of 3.8 percentage points compared to 2024, and in absolute terms, it increased by EUR 55.1 million from EUR 391.3 million to EUR 446.4 million in 2025:

- revenue from the core activities of the electricity transmission system operator increased by EUR 53.3 million due to higher revenue from additional services;
- the Group companies' revenue from electricity distribution activities increased by EUR 2.2 million due to a higher volume of orders;
- revenue from the installation, maintenance and repair of renewable energy technologies decreased by EUR 0.6 million following the completion of contractual obligations by the Group company in 2024;
- revenue from transmission and distribution networks for renewable and low-carbon gases increased by EUR 0.2 million due to higher volumes of biomethane injected into the system.

The percentage (in terms of total CapEx) of capital expenditure (CapEx) related to taxonomic activities in 2025 was 90.9%, a decrease of 4.3 percentage points compared to 2024, and in absolute terms decreased by EUR 48.8 million from EUR 207.7 million to EUR 158.9 million in 2025:

- capital expenditure meeting the technical criteria for taxonomy-aligned electricity transmission activities decreased by EUR 47.9 million due to the intensive implementation of synchronisation-related projects in 2024 (with 2025 being the finalisation year);
- no capital expenditure was incurred for electricity storage activities due to the newness of the system (the electricity storage system project – a four-battery park system – was completed in 2023), and therefore no additional investment was required;
- capital expenditure by the gas and electricity transmission system operators on the renovation of existing buildings decreased by EUR 1 million due to lower volumes (projects are ongoing, with the majority of works completed in 2024);
- capital expenditure by the gas and electricity transmission system operators on the installation of charging stations for electric vehicles amounted to EUR 0.1 million, reflecting the needs of the Group companies' electric vehicle fleet and the related charging infrastructure.

The share of capital expenditure not associated with taxonomy-eligible activities amounted to 9.0% in 2025 and decreased by 4.2 percentage points, or EUR 48.7 million, compared with 2024. The change was primarily driven by increased investments by the gas transmission system operator that were not related to taxonomy-eligible activities.

To ensure accuracy and comparability of data, we revised and restated the 2024 capital expenditure activity indicators and the denominator:

- the denominator was adjusted by eliminating assets received by the natural gas transmission system operator from third parties and by revising the amount of assets received by the electricity transmission system operator. The denominator increased by EUR 1.3 million;
- the electricity transmission system operator revised the allocation of capital expenditure across activities. Accordingly, capital expenditure for electricity transmission and distribution activities decreased by EUR 0.6 million, while capital expenditure for the renovation of existing buildings increased by EUR 0.5 million;
- capital expenditure is no longer attributed by the natural gas transmission system operator to the activity "transmission and distribution networks for renewable and low-carbon gases", as the assets used for this activity were received from third parties (decrease of EUR 0.3 million).

The share of operating expenditure (OpEx) associated with taxonomy-eligible activities amounted to 66.1% in 2025 and decreased by 0.4 percentage points compared with 2024; however, in absolute terms it increased by EUR 5.0 million:

- operating expenditure in electricity storage activities decreased by EUR 0.2 million due to lower network maintenance and repair costs (the operational switching agreement was not renewed in 2025 as it was not required);
- operating expenditure of the electricity transmission system operator increased by EUR 2.7 million due to higher network maintenance and repair costs and higher payroll costs for employees performing network maintenance and repair;
- operating expenditure of the Group companies in electricity distribution activities increased by EUR 2.9 million due to higher volumes of work.

Revenue under EU Taxonomy Regulation

Economic activity	Code	Revenue	Proportion of revenue, 2025	Substantial contribution criteria						Do no significant harm criteria						Minimum safeguards	Proportion of taxonomy-aligned revenue, 2024 (%)	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
A. TAXONOMY ELIGIBLE ACTIVITIES		**million Eur**	**%**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**%**	**E**	**T**
				EL/ N/EL	**EL/ N/EL**	**EL/ N/EL**	**EL/ N/EL**	**EL/ N/EL**	**EL/ N/EL**										
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	-	
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	446.1	85.2%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	81.2%	E	
Storage of electricity	CCM 4.10 / CCA 4.10	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14 / CCA 4.14	0.3	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	-	
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	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	

Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		446.4	85.2%	85.2%	N	N/EL	N/EL	N/EL	N/EL	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	81.4%		
Of which: enabling activities		446.1	85.2%	85.2%	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	**81.3%**	E	
Of which: transitional activities		-	-	-						-	-	-	-	-	-	-			-
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	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Operation of personal mobility devices, cycle logistics	CCM 6.4 / CCA 6.4			EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renovation of existing buildings	CCM 7.2 / CCA 7.2	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0%	0.0%	-	-	-	-	-								0.0%		
Turnover of Taxonomy-eligible activities (A.1+A.2)		**446.4**	**85.2%**	85.2%	-	-	-	-	-								**81.4%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**77.3**	14.8%																
Total (A+B)		**523.7**	**100%**																

The income included in the Group's revenue (net turnover) is consistent with the income presented in the Group's financial statements (Other income is not included in the denominator). Further information on the Group's revenue is provided in Note 31 to the financial statements.

Capital expenditure under the EU Taxonomy Regulation (CapEx)

Economic activity	Code	Capital expenditure	Proportion of capital expenditure, 2025	Substantial contribution criteria						Do no significant harm criteria						Minimum safeguards	Percentage of capital expenditure from taxonomy-aligned activities (A.1) or taxonomy-eligible activities (A.2), 2024	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
A. TAXONOMY ELIGIBLE ACTIVITIES		**million Eur**	**%**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**%**	**E**	**T**
				EL/ N/EL	**EL/ N/EL**	**EL/ N/EL**	**EL / N/EL**	**EL/ N/EL**	**EL/ N/EL**										
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1. / CCA 4.1.	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	-	
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	157.8	90.3%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	94.3%	E	
Storage of electricity	CCM 4.10 / CCA 4.10	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14. / CCA 4.14.	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	-	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4. / CCA 7.4.	0.1	0.1%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	

Capital expenditure of environmentally sustainable activities (taxonomy-aligned) (A.1)		157.9	90.3%	90.3%	N	N/EL	N/EL	N/EL	N/EL	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	94.3%	
Of which: enabling activities*		157.9	90.3	90.3%	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	**94.3%**	E
Of which: transitional activities		-	-	-						-	-	-	-	-	-	-		-
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.	0.3	0.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	
Operation of personal mobility devices, cycle logistics	CCM 6.4 / CCA 6.4	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	
Renovation of existing buildings	CCM 7.2. / CCA 7.2.	0.8	0.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%	
Capital expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1.1	0.6%	0.6%	-	-	-	-	-								0.9%	
Capital expenditure of Taxonomy-eligible activities (A.1+A.2)		**159.0**	90.9%	90.9%	-	-	-	-	-								**95.2%**	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Capital expenditure from non-taxonomy-eligible activities		**15.8**	9.0%															
Total (A+B)		**174.8**	**100%**															

We attributed the amount of acquisitions of long-term tangible (hereinafter referred to as IMT) and intangible assets to the Group's capital expenditure and eliminated the value of assets received from third parties (-26.9 million euros). We do not assess these assets in the context of the Taxonomy because we do not have the information necessary to perform a technical analysis of the criteria and the analysis of no significant harm (DNSH). More information about the Group's investments is provided in Notes 6 and 7 to the financial statements.

Operational expenditure under the EU Taxonomy Regulation (OpEx)

Economic activity	Code	Operational expenditure	Proportion of operational expenditure, 2025	Substantial contribution criteria						Do no significant harm criteria						Minimum safeguards	Percentage of operational expenditure from taxonomy-aligned activities (A.1) or taxonomy-eligible activities (A.2), 2024	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
A. TAXONOMY ELIGIBLE ACTIVITIES		**million Eur**	**%**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y/ N/ N/ EL**	**Y/ N/ N/EL**	**Y/ N/ N/EL**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**%**	**E**	**T**
				EL/ N/EL	**EL/ N/EL**	**EL/ N/EL**	**EL / N/E**	**EL/ N/EL**	**EL/ N/EL**										
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1. / CCA 4.1.	0.0	0.0%	**Y**	N	N/EL	N/ EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	-	
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	37.0	62.8%	**Y**	N	N/EL	N/ EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	61.3%	E	
Storage of electricity	CCM 4.10 / CCA 4.10	1.8	3.0%	**Y**	N	N/EL	N/ EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.9%	E	
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14. / CCA 4.14.	0.0	0.0%	**Y**	N	N/EL	N/ EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	-	
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	0.0%	**Y**	N	N/EL	N/ EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	

Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.0%	E	
Operational expenditure of environmentally sustainable activities (taxonomy-aligned) (A.1)		38.8	65.8%	65.8%	N	N/EL	N/EL	N/EL	N/EL	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**66.1%**		
Of which: enabling activities*		38.8	65.8%	65.8%	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	**66.1%**	E	
Of which: transitional activities		-	-	-						-	-	-	-	-	-	-			-
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.	0.2	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		
Operation of personal mobility devices, cycle logistics	CCM 6.4 / CCA 6.4	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Renovation of existing buildings	CCM 7.2. / CCA 7.2.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Operational expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.2	0.3%	0.3%	-	-	-	-	-								0.4%		
Operational expenditure of Taxonomy-eligible activities (A.1+A.2)		**39.0**	66.1%	66.1%	-	-	-	-	-								66.5%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			

OpEx of Taxonomy-non-eligible activities	**19.9**	33.9%
Total (A+B)	**58.9**	**100%**

Nuclear energy and fossil gas under the EU Taxonomy Regulation

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

8.3. Environmental information

8.3.1. E1 Climate change

During the Group's DMA, we identified material negative impacts related to climate change adaptation, climate change mitigation, and energy subtopics within the climate change topic. We also identified material potential risks for the Group arising from activities related to the climate change mitigation and energy subtopics. The impacts and risks are material at the consolidated Group level. More details on the DMA process, methodology and results are provided in the section "Group's double materiality assessment".

Impacts
⊗ **Actual negative impact** on climate change adaptation due to biomass extraction at upstream of the value chain.
⊗ **Actual negative impact** on climate change mitigation due to the Group's GHG emissions.
⊗ **Actual negative impact** on the energy topic due to the activities of the Group's companies and activities in the Group's supply chains.
⚠ **Risks**
Risk within the climate change mitigation topic arises from the need to finance infrastructure upgrades and plan investments in new technologies in order to reduce the Group's impact on climate change (GHG emissions reduction).
Risk arises from legal regulation and financial obligations (bonds), which will have a negative impact on the Group (investments in new technologies, payment of additional taxes, and procurement of energy from renewable sources).

E1-1 Transition plan for climate change mitigation

The Group consistently aims to reduce GHG emissions generated in its operations, thereby contributing to the development of a climate-neutral energy system in Lithuania. We support the Paris Agreement's goal of limiting global warming to 1.5°C above pre-industrial levels to avoid the severe impacts of climate change. Activities are planned in line with this ambition and the objectives of the National Energy Independence Strategy (NEIS), thereby contributing to climate change mitigation.

GHG emission reduction target	↓ 30%	↓ 50%	Net zero GHG emissions
	2026	2030	2050

The Group's GHG emissions reduction targets are also linked to EPSO-G's long-term sustainability-linked finance framework (hereinafter – the Finance Framework) and the sustainability-linked bond prospectus. The Framework received an independent assessment from the international climate and environmental research centre S&P Global Shades of Green AS. The independent assessment evaluated the sustainability targets set out in the EPSO-G Finance Framework as ambitious compared to the sustainability targets of other comparable companies operating in Europe and as aligned with the climate change mitigation objectives established in the Paris Agreement. It is noted that the Group has no shares or bonds included in financial indices, although such indices could be applicable to the Group under the EU Paris-aligned benchmark criteria.

The Group joined the Science Based Targets initiative (SBTi) in 2024 and aimed to set and align science-based short-term GHG emissions reduction targets by 2030. In 2025, taking into account the methodological limitations of the SBTi applicable to the Group's activities, the decision was made to discontinue this alignment process. In the future, we will evaluate other opportunities to align the Group's GHG emissions reduction targets with international initiatives and to obtain independent assessment.

Group GHG emission reduction plans

The Group considers the transition plan towards climate-neutral operations an integral part of its long-term strategy and aims to contribute to the implementation of the objectives of the Paris Agreement and the requirements of the EU Climate Law. The Plan is based on long-term investments, allocating a long-term period (10 years) for strategic and large-scale projects. We approve an annual budget aligned with the measures and actions set out in the operational plan in order to consistently implement its strategic objectives for GHG emissions reduction.

The Group's GHG emissions reduction targets are approved as an integral part of the Group's long-term strategy by the EPSO-G Board (and by the respective boards of the Group's companies). In accordance with the integrated planning and monitoring policy, these targets are cascaded into lower-level operational and investment plans, thereby ensuring their implementation across the Group.

> **The Group's key Scope 1 and Scope 2 GHG emissions reduction measures are focused on the largest emission sources in electricity and natural gas transmission activities. We implement pilot projects, conduct supplier market analyses, and plan targeted investments in less carbon-intensive technologies.**

In 2025, the Group carried out modelling of Scope 1 and Scope 2 GHG emissions and the related reduction measures through to 2050, including scenario analysis. In 2026, we plan to expand the modelling to include an assessment of Scope 3 GHG emissions through to 2050 in order to comprehensively evaluate the climate impact of the Group's value chain and to establish a consistent pathway towards net zero GHG emissions.

The Group's subsidiary Amber Grid operates and maintains the natural gas (NG) transmission infrastructure and carries out repair and reconstruction works, resulting in approximately 183,314 tonnes of CO_2e of committed (locked-in) GHG emissions by 2030. This figure includes energy generation in Company's own facilities, fuel consumption in mobile equipment, NG leaks, and other situations that directly or indirectly contribute to GHG emissions.

The Group's subsidiary Litgrid, which operates and maintains the high-voltage electricity transmission infrastructure, also carries out network repair and reconstruction works, resulting in approximately 344,639 tonnes of CO_2e of locked-in GHG emissions by 2030. The largest share of this amount is attributable to electricity grid losses.

Reducing GHG emissions from our operations



Key decarbonisation levers in the Group's companies in 2025–2030

Company	GHG emissions	Lever*	Decarbonisation measures
All Group companies	Scopes 1 and 2	~ 2%	• Energy efficiency; • Use of RES energy for own consumption; • Use of low-emission transport – acquisition of electric and hybrid vehicles.
Amber Grid	Scope 1	~ 8%	• Reconstruction of gas compressor stations; • Replacement of gas boilers with electric ones at gas distribution stations (GDS); • Deployment of stationary and mobile methane (CH_4) leak detection and monitoring systems. • Deployment of gas flaring equipment in operations; • Integration of biogas into gas equipment systems. • Use of Stopple technology during main gas pipeline repairs (the measure delivering the greatest Scope 1 GHG reduction effect).
Litgrid	Scopes 1 and 2	~ 56%	• Phase-out of SF_6 gas in the reconstruction of transformer substations (10 units planned to be replaced by 2030); • Procurement of electricity generated from RES through Power Purchase Agreements (PPAs) and Guarantees of Origin to cover technological losses. (the measure delivering the greatest Scope 2 GHG reduction effect). • Installing solar power plants on the roofs of transformer substations and switchgear control panels. • Reconstruction projects; modernisation of the Jonava, Jurbarkas and Kruonis HAE substations. • Increase in the conductor cross-section in overhead lines under reconstruction to meet system requirements.

* projected GHG emission reduction

We also note that the primary objective of the Group's activities is to contribute to the climate change mitigation objective, as defined in the Taxonomy Regulation (EU) 2020/852. In 2025, the share of the Group's taxonomy-aligned economic activities accounted for 85.5% of turnover (2024: 81.4%), 90.9% of capital expenditure (2024: 95.2%) and 66.1% of operating expenditure (2024: 66.5%). Detailed disclosures on the scope of the Group's taxonomy-aligned activities, their compliance with the technical screening criteria and the related financial metrics are provided in section *8.2.1 Disclosure under the EU Taxonomy Regulation* of this report.

Other strategic measures of the Group contributing to the transition plan

One of the Group's key commitments is to develop future infrastructure based on a reliable and climate-neutral energy system. In pursuit of energy independence, we are systematically expanding the connection of RES capacities and its integration into the energy system. We also aim to contribute to the development of a high value-added energy industry and to create the conditions for exporting energy generated from RES. Information on the key projects contributing to the implementation of the Group's strategic objectives, the reduction of GHG emissions and the transition to a climate-neutral impact in Lithuania, as well as to the implementation of the NECP and other national plans, is provided in section *3.2 Major Projects of the EPSO-G Group to 2035 and the Value they Create* of the Management Report.

In addition, in 2026 we plan to prepare a comprehensive Group Climate Transition Plan, which will integrate the key aspects of climate change management.

Climate change adaptation

In 2023, we carried out a comprehensive assessment of climate-related risks and opportunities in accordance with the recommendations of the Task Force on Climate – related Financial Disclosures (TCFD), with the aim of evaluating the resilience of the Group's strategy and business model to climate change and identifying opportunities to enhance adaptation. The assessment was based on the 2023 study prepared by the Lithuanian Hydrometeorological Service „Klimato kaitos rizikos XXI a. viduriui studija" (*Study on climate change risks by the middle of the 21st century*), which presents the projected levels of physical risks in Lithuania under future climate conditions.

To better understand the likelihood of climate-related risks materializing, the analysis was conducted over short-term (up to 2026), medium-term (up to 2030), and long-term (up to 2050) horizons, following international best practices for climate risk assessment. The assessment considered two socio-economic scenarios from the Intergovernmental Panel on Climate Change (IPCC):

- the Paris Agreement-conforming scenario for the increase in mean temperature, limited to 1.5/2 °C (SSP1–2.6), and
- A business-as-usual scenario in which the average temperature could rise above 4 °C (SSP5–8.5).

The assumptions of the socio-economic scenarios regarding the manifestation of physical risks up to 2050 differ only slightly; however, they vary significantly in terms of the scale of the energy system transformation. Consequently, the likelihood of transitional risks differs substantially between the Paris-aligned and business-as-usual scenarios. The assessment of transformation risks relevant to the energy sector was also informed by expert evaluations from external consultants, based on IPCC scenario assumptions.

> **The results of the consolidated assessment indicate that physical risks will have a relatively limited impact on the Group's activities in the short, medium and long term (up to 2050), except for potentially greater impacts in the event of floods and extreme water level fluctuations.**

The impact of transition risks at the Group level is also assessed as limited; however, it varies at the level of individual companies – for example, these risks are more material in the case of Amber Grid. This preliminary assessment serves as a starting point for further analysis to more comprehensively evaluate and disclose the potential impact of climate-related risks on our financial performance and cash flows. The main risks are described in Chapter 5.4 *Risk Management Framework* of the Management Report.

The table below provides an overview of climate-related physical risks and their relevance to the Group's companies.

Risk type	Impact on the Paris Agreement objective and business model	Group companies that may be affected by physical risks
Acute physical risks		
Heat wave, cold wave/freeze, fires, storms, wind gusts, lightning, drought, heavy precipitation, flooding, snow and ice load, landslide, subsidence	Across the time horizons 2026, 2030 and 2050, all risks are assessed as very low, except for floods, which are assessed as medium risk	• **Heat Wave** – Tetas, EPSO-G, Energy Cells, Litgrid, Amber Grid; • **cold wave/freezing** – Amber Grid; • **fire** – Litgrid, Amber Grid; • **storms, wind gusts, lightning** – Litgrid, Amber Grid; • **drought** – Amber Grid; • **heavy precipitation** – Energy Cells, Amber Grid; • **flood** – "EPSO-G", "Litgrid", "Amber Grid"; • **snow and ice load** - Litgrid, Amber Grid; • **landslide** – Amber Grid; • **subsidence** – Amber Grid.
Chronic physical risks		
Changing temperatures, changing precipitation patterns, precipitation or hydrological variability, saltwater intrusion, sea level rise, water stress, geographical hazards, soil erosion	Across the time horizons 2026, 2030 and 2050, all risks are assessed as low.	• **Changing temperatures** – Amber Grid, Energy cells; • **changing precipitation patterns** – Litgrid; • **precipitation or hydrological variability** – Amber Grid; • **saltwater intrusion** – Amber Grid; • **sea level rise** – Amber Grid; • **water stress** – Amber Grid; • **geographical hazards** – Amber Grid; • **soil erosion** – Amber Grid.

The table below provides an overview of transition risks and their relevance to the Group's companies.

Risk type	Impact on the Paris Agreement objective and business model	Group companies that may be exposed transition risks
Political and legal		
The regulatory environment, disorderly energy transition risks of potentially distortive measures, legal liability and management accountability	Across the time horizons 2026, 2030 and 2050, all risks are assessed as low.	• **Regulatory environment** – EPSO-G, Amber Grid; Baltpool, Energy Cells; • **Disorderly energy transition risks from the imposition of potentially distortive measures** – EPSO-G, Amber Grid, Baltpool, Energy Cells; • **Legal responsibility and management accountability** - EPSO-G, Litgrid, Amber Grid, Baltpool, Energy Cells.
Technological		
Low carbon transition costs, transition risk for older assets, asset depreciation risk	Across the time horizons 2026, 2030 and 2050, expenditure on the transition to low-carbon technologies – low; transition risk for older assets – low; asset impairment risk in 2050 – medium.	• **Costs of transitioning to low-carbon technologies** – EPSO-G, Amber Grid, Energy Cells, Litgrid. • **Risk related to legacy asset transition and asset impairment risk** – EPSO-G, Amber Grid.
Markets		
Uncertainty regarding consumer behaviour, market signals and supply chains, as well as changes in raw material and energy prices.	Across the time horizons 2026, 2030 and 2050, all risks assessed as low.	• **Uncertainty regarding consumer behaviour, market signals and supply chains** – EPSO-G, Amber Grid, Energy Cells, Litgrid, Baltpool; • **Changes in raw material and energy prices** – EPSO-G, Amber Grid, Baltpool.
Reputational		
Transmission system reliability, expectations related to climate risk management, expectations related to disclosure of non-financial information	Across the time horizons 2026, 2030 and 2050, transmission system reliability – low risk; expectations related to climate risk management and non-financial disclosures – low risk except for long-term time horizon – risk is medium.	• **Transmission system reliability** – EPSO-G, Amber Grid, Energy Cells, Litgrid. • **expectations related to climate risk management** – EPSO-G, Amber Grid, Energy Cells, Litgrid, Baltpool; • **expectations related to the disclosure of non-financial information** - EPSO-G, Amber Grid, Energy Cells, Litgrid, Baltpool.

We have identified measures to manage physical and transition risks; however, given their currently low relevance, these risks have not been integrated into risk management plans at this stage. In 2026, we plan to update the Group's climate risk assessment and update the risk management plans, where possible.

E1-2 Policies related to climate change mitigation and adaptation

We are responsible for energy transmission and exchange; therefore, we assume responsibility for the transformation of a reliable and secure energy system in Lithuania and for creating the conditions for the transition to climate-neutral energy. This transformation includes the expansion of RES and the integration of increasing volumes into the transmission system, the reduction of dependence on fossil fuels, the development of cross-border interconnections and the creation of conditions for climate-neutral energy exchange.

We manage the impacts of climate change and the associated risks and opportunities through the Group's environmental and sustainability policies. Further information on the implementation of these policies is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

Our environmental policy commits us to contributing to the climate-related goals set out in the United Nations 2030 Agenda for Sustainable Development, as well as to implementing the Paris Agreement, the European Green Deal, the National Energy Independence Strategy, and the commitments outlined in the National Climate Change Management Agenda. To this end, we are committed to systematically accounting for and monitoring GHG emissions, implementing innovative technologies and measures to reduce GHG emissions by 2030, and connecting and integrating RES sources into the Group's transmission grid.

Our Sustainability Policy commits us to supporting the transformation of the energy sector by balancing environmental, social and economic objectives, thereby contributing to the development of a climate-neutral energy system.

E1-3 Policies related to biodiversity and ecosystems

Climate change mitigation

We recognise that the energy sector plays a key role in achieving the European Union's objective of climate neutrality by 2050; therefore, climate change mitigation is integrated into our strategic and investment decisions. We plan and implement climate change mitigation actions in accordance with the Group's GHG emission reduction plans. The main Scope 1 and Scope 2 GHG reduction measures are set out in Section E1-1 (for more details, see the table *Key decarbonisation levers in the Group's companies in 2025–2030*)

GHG measures are included in the long-term financial plan of the Group companies They include the modernisation of gas compressor stations, the reconstruction of trunk gas pipelines, the deployment of methane leak reduction technologies, as well as the procurement of electricity generated from RES under Power Purchase Agreements (PPAs) and the acquisition of Guarantees of Origin. Guarantees of Origin substantiate that electricity generated from RES is used to cover technological losses, thereby reducing Scope 2 GHG emissions. Costs related to the "greening" of technological losses are included in the cost base of regulated activities.

> **By 2030, we plan to allocate more than EUR 200 million to investments that will directly contribute to the reduction of Scope 1 and Scope 2 GHG emissions.**

At present, we disclose only the aggregated scale of investments, as the specific amounts and their allocation across periods and measures depend on regulatory decisions, technological developments and other factors.

Given that a significant share of the Group's Scope 2 GHG emissions is attributable to electricity technological losses, in 2025 the Group company Litgrid concluded a Power Purchase Agreement for electricity generated from RES for the period 2026–2032, which will enable a consistent reduction of indirect GHG emissions.

E1-4 Targets related to climate change mitigation and adaptation

The Group has set GHG emission reduction targets that are integrated into the Group's long-term business strategy and are aligned with the guidelines of the Science Based Targets initiative (SBTi). The main short- and medium-term targets are set for 2026 and 2030, while the long-term ambition is to achieve net-zero GHG emissions by 2050. These targets and the measures for their implementation are described in more detail in sections E1-1, E1-2 and E1-3.

Our priority is the reduction of Scope 1 and Scope 2 GHG emissions, as these account for the largest share of the Group's total GHG emissions (approximately 71%). The action plan is focused on:

- the reduction of controlled and uncontrolled methane leaks from stationary and mobile equipment;
- the reduction of electricity transmission technological losses.

We first calculated Scope 3 GHG emissions in 2022. In 2026, our plan is to carry out comprehensive modelling of Scope 3 emissions and related reduction measures up to 2050, with the aim of defining a consistent pathway towards the Group's net-zero GHG emissions.

The Group does not apply GHG offsetting mechanisms such as GHG removals or emission reduction projects financed through carbon credits or carbon pricing. Our GHG emission reduction targets are based on actual emission reductions within our operations.

The Group's Board approves the long-term business strategy, which includes climate change and GHG reduction targets, and oversees their implementation. The Board reviews the strategy and assesses progress at least once a year. The Board also sets the Group's annual targets, including those related to sustainability and GHG reduction, monitors their implementation on a quarterly basis and performs an annual performance assessment.

The achievement of sustainability and GHG reduction targets is integrated into the performance evaluation and incentive system. The achievement of these targets is one of the components taken into account in determining the annual financial incentive for the Group's CEO and, where sustainability-related targets are set for employees, for their financial incentives as well.

Reports on the implementation of GHG reduction plans and, where relevant, risk management plans for the key measures are presented to the Audit Committee, thereby ensuring independent oversight, the effectiveness of internal controls and accountability.

GHG reduction plans and the risks related to their implementation are integrated into the Group's risk management system and risk register. We assess, prioritise and manage these risks in accordance with the Group's risk management policy. Further details on the main risks and their management measures are provided in section E1-1 *Transition plan for climate change mitigation* and section 5.9.2 *Key risks and their management* of the Management Report.

GHG emission reduction targets

Target			Base year and value	Progress towards targets			Status
	2026	2030	2019	2025	2024	2023	
Scope 1 and 2 GHG emissions, tCO2e	143,789	102,707	205,397	177,588	217,941	258,989	**Target in progress**
Change in Scope 1 and 2 emissions compared to the base year, %.	(30)	(50)	-	(14)	6.1	26.1	**Target in progress**

Note: The indicators are based on the SBTi guidelines; planned GHG emissions are based on the projected quantities and emission factors of the main emission sources – electricity losses and methane leakages as well as the newest emission factors, accessible in 2025.

E1-5 Energy consumption and mix

The Group fosters an organisational culture based on the responsible use of natural and energy resources. In line with the Group's environmental policy, the organisation commits to using electricity generated from renewable energy sources in administrative activities, prioritising low-emission transport, consistently reducing fossil fuel use, and implementing energy efficiency measures. These priorities are implemented systematically across the Group and are reflected in the consolidated energy consumption metrics presented in the table below.

Methodology for calculating energy consumption

Energy consumption data are collected from the Group's accounting systems. If data on a specific energy type or a combination of energy types (e.g. by origin) are not available, the disclosure indicates this as "n/a".

Energy consumption for all energy types is reported in MWh, applying the relevant conversion factors to convert accounting units (e.g. litres, m³, etc.) into MWh.

- Crude oil and petroleum product fuels: actual fuel consumption in vehicles and mobile equipment, converted into MWh.
- Natural gas: actual natural gas consumption for technological purposes at gas distribution stations, converted into MWh.
- Purchased energy from fossil sources: the actual amount of electricity, heat, steam, and cooling generated from fossil fuels and consumed for own use, technical losses, office needs, and heating, converted into MWh.
- Purchased energy from renewable sources: the actual consumption of electricity, heat, steam, and cooling generated from renewable sources and supported by certificates (e.g. guarantees of origin), converted into MWh.
- Energy generated without fuel consumption: the actual amount of electricity generated by solar power plants for own use, converted into MWh.

Methodological limitations and uncertainties. Initial data are recorded in different units (e.g., liters, m³, kWh), so the final MWh values depend on the applied conversion factors. This may result in calculation uncertainties.

Methodology for calculating energy consumption intensity by net revenue

Energy consumption intensity is calculated by dividing total energy consumption (MWh) for the reporting year by net revenue (EUR thousand) attributable to activities with a material climate impact.

Financial data on net revenue are sourced from the Consolidated and Separate Financial Statements,Section 4.6 *Financial Statements.*

Methodological limitations and uncertainties: net revenue excludes the activities of EPSO-G (NACE M.70.22) and Baltpool (NACE K.66.12), as these are not classified as sectors with a high climate impact.

Energy consumption and mix

Energy consumption and mix	2025	Change, % 2025/2024	2024	Change % 2024/2023	2023	Change, % 2023/2022	2022
(1) Fuel consumption from coal and coal products (MWh)*	-	-	-	-	-	-	-
(2) Fuel consumption from crude oil and petroleum products (MWh)	10,804.5	(1)	10,854.5	4.5	10,383.3	(22.5)	13,391.0
(3) Fuel consumption from natural gas (MWh)	105,930.0	21.9	86,915.0	(13.2)	93,079.0	18.8	78,352.7
(4) Fuel consumption from other fossil sources (MWh)*	-	-	-	-	-	-	-
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	254,748.9	(29.7)	362,245.6	(4.8)	380,639.2	(12.3)	434,113.2
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	371,483.4	(19.2)	460,014.7	(5)	484,101.5	(7.9)	525,856.9
Share of energy from fossil sources in total energy consumption (%)	**79.6**	**-**	**89.8**	**-**	**98.4**	**-**	**99.9**
(7) Nuclear fuel consumption (MWh)*	-	-	-	-	-	-	-
Share of energy from nuclear sources in total energy consumption (%)	-	-	-	-	-	-	-
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)*	-	-	-	-	-	-	-
(9) Consumption of purchased renewable electricity, heat, steam, and cooling (MWh)	94,700.0	82.0	52,024.2	625.9	7,166.4	1,428.8	468.8
(10) Consumption of self-generated renewable energy not used as fuel (MWh)	474.3	-10.2	528.3	3.1	512.7	77.7	288.5
(11) Total renewable energy consumption (MWh) (sum of rows 8–10)	95,174.3	81.1	52,552.5	584.4	7,679.1	914.1	757.3
Share of energy from renewable sources in total energy consumption (%)	**20.4**	**-**	**10.3**	**-**	**1.6**	**-**	**0.1**
Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)	**466,657.7**	**(9.0)**	**512,567.2**	**(4.1)**	**491,780.6**	**(6.6)**	**526,614.1**

*We do not use the relevant type of energy in our activities

Energy consumption intensity by net revenue

Energy consumption intensity by net revenue	2025	Change % 2025/2024	2024	Change % 2024/2023	2023	Change % 2023/2022	2022
Total energy consumption in sectors with a high climate impact divided by net revenue* generated from those activities (MWh/EUR thousand)	0.83	(17.0)	1.0	(14.5)	1.17	32.9	0.88

In 2025, compared with 2024, the share of renewable energy in the Group's total energy consumption increased almost by 2 times (10.3% in 2024 and 20.4% in 2025). This demonstrates the Group's successful and systematic efforts to increase the use of energy from renewable sources. This change is mainly driven by Litgrid's implementation of the GHG emissions reduction plan, including the purchase of renewable electricity (with guarantees of origin) to cover electricity transmission losses and electricity consumed for own use, as well as the use of certified renewable electricity for the Group companies' office needs. In 2025, Litgrid purchased twice as many guarantees of origin as in 2024, which increased the share of renewable energy sources in the overall energy mix.

Consumption of crude oil and petroleum product fuels decreased by 1% (10,854.5 MWh in 2024 and 10,804.5 MWh in 2025).

Share of energy from fossil sources in total energy consumption decreased to 79.6% compared to 89.8% in 2024.

Natural gas fuel consumption increased by approximately 21.9% in 2025 compared to 2024. This was due to colder weather conditions and more intensive compressor operation at the Amber Grid Jauniūnai gas compressor station.

Total energy consumption in 2025 compared to 2024, decreasing by 9%.

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

GHG calculation methodology

Scope 1–3 GHG emissions are calculated in accordance with the Greenhouse Gas Protocol *Corporate Accounting and Reporting Standard*.

Data sources used:

- Input data (activity data) are obtained from the Group's internal accounting system;
- Emission factors are obtained from the following databases and sources: EXIOBASE, DEFRA, AIB, centralised district heating suppliers, etc.

Methodological limitations and uncertainties:

- Scope 3 GHG emissions calculation relies on supplier data. Direct supplier data are not currently used due to data availability and reliability challenges; therefore, a spend-based method is applied, which is less precise. The Group plans to transition to activity-based calculations in the future and to collect data directly from suppliers.

Exclusions and reporting boundaries:

Technological electricity losses occurring in the interconnections *NordBalt* and *LitPol Link* are not included in the Group's GHG inventory, as these losses are not part of the Lithuanian electricity accounting balance.
No biogenic GHG emissions arise from the Group's activities.

ŠESD intensyvumo apskaičiavimo metodika:

GHG intensity is calculated by dividing the total GHG emissions for the reporting year (tCO_2e) by net revenue (EUR million). The calculations use financial data from the consolidated financial statements presented in Section 4.6 *Financial Statements*. When calculating net revenue, the activities of EPSO-G (NACE M.70.22) and Baltpool (NACE K.66.12), which are not classified as high climate-impact sectors, are excluded.

GHG scope and emission source	Calculation methodology
Scope 1 GHG emissions	
Controlled natural gas emissions	Controlled gas release into the environment is carried out during repairs to the main gas pipeline, during the shutdown, start-up, and maintenance of the gas compressor station, and in other cases. Data is obtained from the internal gas metering device data collection information system.
Uncontrolled natural gas emissions into the atmosphere (leaks)	Uncontrolled release of natural gas into the environment occurs: through leaks in the main gas pipeline (leaks from joints, seals, intermediate connections), through leaks at gas distribution stations, gas metering stations, gas metering and pressure limiting stations, gas compressor area equipment connections, and in other cases. Data is obtained from the internal gas metering device data collection information system.
Fuel for mobile equipment	All vehicles and equipment owned or leased by the Group (cars, trucks, buses, forklifts, tractors, other combustion equipment whose location changes during operation) that use fossil fuels (gasoline, diesel, natural gas). Fuel consumption data (l) is obtained from accounting journals and/or invoices.
Fuel combustion in stationary equipment	This is fuel burned in stationary equipment whose location does not change during operation. Data (kWh) is obtained from accounting journals.
Freon and other gas leaks	Leaks of freons (R-410A), refrigerant gases (R-32) and sulfur hexafluoride (SF6). Annual leak quantities (kg) are taken from the work completion reports submitted by contractors.
Scope 2 GHG emissions	
Electricity losses in the transmission network	GHG emissions from electricity losses in the transmission network. Annual operating data (kWh) is obtained from internal accounting systems and invoices.
Electricity for own use	These GHG emissions are generated when producing electricity purchased and consumed by the company for its own needs. Physically, emissions are generated at the facility where electricity is produced. Annual activity data (kWh) is obtained from invoices and electricity transmission records.
Purchased centralized heat energy	These GHG emissions are generated during the production of heat energy purchased and consumed by the company. Physically, emissions are generated at the facility where heat energy is produced. Annual activity data (kWh) is taken from invoices.
Scope 3 GHG emissions	
Category 1: Purchased goods and services	Third-party emissions arising from the production of goods and services used in the Group's operations are assessed. The spend-based method is applied in the calculation.
Category 2: Capital goods	GHG emissions related to the acquisition of non-current assets are estimated using a spend-based method.
Category 3: Fuel extraction and transportation (not included in Scope 1 and 2 emissions)	Third-party GHG emissions generated from the extraction, production and transportation of fuel consumed within the Group, as well as from fuel processing for electricity and heat generation, are estimated using the well-to-tank and tank-to-wheel approach. We apply an average-data method.
Category 5: Waste generated in the Group's operations	We estimate GHG emissions based on actual and calculated amounts of waste generated in the Group's operations, applying methods specific to each waste type.
Category 6: Business travel	We estimate GHG emissions related to employees' business travel (flights and accommodation) using a distance-based method.
Category 7: Employee commuting	We estimate GHG emissions related to employees' daily commuting to and from work using an average-data method.
Category 15: Investments	All material Group investments that generate GHG emissions are assessed.

GHG emissions

Emission type	Retrospective data				
	2025	2024	2023	Base year 2019	Change 2025/2019, %
Scope 1 GHG emissions					
Total Scope 1 GHG emissions (tCO2e)	33,256	30,859	42,185	63,642	(48)
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (ETS) (%)	57	24	36	7	-
Scope 2 GHG emissions					
Total market-based Scope 2 GHG emissions (tCO_2eq)	144,333	187,082	216,804	141,755	2
Total location-based Scope 2 GHG emissions (tCO_2eq)	41,669	56,366	57,298	60,060	(31)
Scope 1 and 2 GHG emissions (market-based method)	**177,588**	**217,941**	**258,989**	**205,397**	**(14)**
Material Scope 3 GHG emissions					
Total Scope 3 GHG emissions (tCO_2e)*	**81,406**	**88,021**	**73,810**	**-**	**-**
1. Purchased goods and services	5,648	3,684	2,476	-	-
2. Tangible fixed assets	54,934	59,694	43,968	-	-
3. Fuel and energy related activities (not included in Scope 1 or 2).	19,528	22,790	25,839	-	-
4. Upstream transportation and distribution	-	-	-	-	-
5. Waste generated in operations	76	71	111	-	-
6. Business traveling	259	361	183	-	-
7. Employee commuting	925	1,421	1,232	-	-
8. Upstream leased assets	-	-	-	-	-
9. Downstream transportation	-	-	-	-	-
10. Processing of sold products	-	-	-	-	-
11. Use of sold products	-	-	-	-	-
12. End-of-life treatment of sold products	-	-	-	-	-
13. Downstream leased assets	-	-	-	-	-
14. Franchises	-	-	-	-	-
15. Investments	38	-	-	-	-
Total GHG emissions (location-based) (tCO_2eq)	**156,331**	**175,246**	**173,293**	**123,702**	-
Total GHG emissions (market-based) (tCO_2eq)	**258,994**	**305,961**	**332,799**	**205,397**	-

* Scope 3 GHG emissions have been calculated since 2022.

GHG intensity

GHG intensity per net revenue	2025	Change % 2025/2024	2024	Change % 2024/2023	2023	Change % 2023/2022	2022
Total GHG emissions (location-based) per net revenue (tCO_2e/EUR million)	277.1	(24)	364.4	1	361.9	32	273.3
Total GHG emissions (market-based) per net revenue (tCO_2e/EUR million)	459.1	(28)	636.2	(8)	694.9	65	420.7

In 2025, the largest share of total GHG emissions was generated in Scope 2 – 56%, followed by Scope 3 – 31% and Scope 1 – 13%. Compared to the 2019 baseline, total Scope 1 and Scope 2 GHG emissions in 2025 decreased by 14%, and by 19% compared to 2024.

In the reporting year, the reduction in Scope 1 and Scope 2 GHG emissions compared to the 2019 baseline was mainly driven by decreased electricity transmission losses. In 2025, Scope 2 GHG emissions from electricity transmission network losses at Litgrid decreased by 23% compared to 2024. The main reason for this change was the higher volume of renewable electricity guarantees of origin purchased to reduce GHG emissions related to technological losses.

Compared to 2019, sulphur hexafluoride (SF_6) insulating gas emissions decreased by 34%. In Litgrid's case, SF_6 emissions accounted for 51% of total Scope 1 GHG emissions, while at the Group level SF_6 emissions represented only 1% of Scope 1 emissions.

One of the key measures to reduce recurring SF_6 leaks and the related GHG emissions is high-quality equipment maintenance and operation. In cases where equipment is refilled with SF_6 gas repeatedly and 6 months or less have passed since the last refill, an investigation into the causes of the leak is carried out and preventive measures are applied, most often related to equipment repair or gasket replacement. It should also be noted that SF_6 gas leaks are influenced by external, uncontrollable factors, particularly fluctuations in ambient air temperature. We observe a trend that as ambient air temperature decreases, signals from transformer substations regarding reduced SF_6 gas pressure in equipment become more frequent.

In natural gas transmission activities, total Scope 1 GHG emissions (controlled and uncontrolled natural gas leaks) decreased by 14% in 2025 compared to 2024. Compared to the 2019 baseline, these emissions in Amber Grid's operations decreased by 81%. The decrease in emissions in 2025 was partly driven by the implementation of fewer gas transmission pipeline reconstruction projects than in previous years, which resulted in lower volumes of controlled natural gas releases.

In accordance with the requirements of the EU Methane Regulation, in 2025 we carried out an inventory and measurements of all potential natural gas transmission network leak sources. In total, 138,006 potential leak sources were assessed. Leaks were detected and measured at 1,274 of these locations. Where technically feasible, the leaks were promptly fixed. Based on the technical guidance of the Oil and Gas Methane Partnership (OGMP) 2.0, the duration of leaks was determined and the related GHG emissions were estimated.

In 2025, other indirect (Scope 3) consolidated Group GHG emissions arising from sources that are not controlled or owned by us (in the value chain) decreased by 10% compared to 2024. The reduction in emissions was driven by several key factors:

- lower investments in capital goods (Category 2);
- lower fuel extraction and transportation emissions (Category 3) related to reduced electricity transmission network losses;
- lower employee commuting emissions (Category 7), which decreased due to an updated calculation methodology.

In January 2026, an employee commuting survey was conducted, with 755 of 1,407 employees participating. The collected data were extrapolated to the total number of employees, ensuring a more accurate calculation of emissions. Following a methodological update, Category 7 emissions decreased by 35% compared to 2024.

In 2025, the largest contributions to Scope 3 GHG emissions came from the following categories:

- capital goods (Category 2) – 67%;
- extraction and transport of fuels (category 3) – 24%;
- goods and services purchased (category 1) – 7%.

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

The Group does not implement projects related to GHG removals or carbon storage. The Group also does not finance and has no plans to finance mitigation projects outside its value chain through the purchase of carbon credits.

E1-8 Internal carbon pricing

The Group does not apply carbon pricing mechanisms.

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

At present, making use of the option for phased application of the disclosure requirements, we do not provide a quantitative assessment of the financial effects of material climate-related physical and transition risks.

E2 Pollution

Based on the Group's DMA, we determined that the subtopic of air pollution is not material at the consolidated Group level but is material at the level of the Group company Amber Grid. Applying the Group's DMA methodology and consolidation principles (for more details, see the section *Group's Double Materiality Assessment*), the disclosures below cover only Amber Grid's operations and its negative impact on ambient air.

Impacts

⊗ **Actual negative** impact on air pollution from emissions generated by fuel combustion equipment (compressors, boilers and generators releasing nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants.

Risks

Risk related to investments in new and clean technologies in the implementation of EU and national legislation and strategies.

E2-1 Policies related to pollution

Air pollution-related impacts are managed through the implementation of the Group's environmental and sustainability policies. Further information on the implementation of these policies is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

In our Environmental Policy, we are committed to implementing modern technologies and measures that would reduce our impact on the environment, and we are also forming and strengthening a culture of zero tolerance for environmental pollution and environmental incidents. We are committed to continuously assessing environmental risks, developing and implementing prevention plans, and striving to avoid environmental incidents.

In our Sustainability Policy, we have defined the key environmental principles and directions – we aim for climate-neutral energy and consistently reduce the environmental impact of our activities.

E2-2 Actions and resources related to pollution and E2-3 Targets related to pollution

Amber Grid's fuel combustion equipment – compressors, boilers and generators (stationary sources of air pollution) – is operated in compliance with the conditions and requirements set out in the Integrated Pollution Prevention and Control (IPPC) permit and pollution permits issued by the Environmental Protection Agency (EPA).

In 2023, independent consultants carried out an energy efficiency analysis of the Jauniūnai and Panevėžys gas compressor stations (GCS). The analysis showed that the most suitable way to reduce fuel consumption and, at the same time, air pollutant emissions is the installation of new electric gas compressors. In addition, in accordance with Directive (EU) 2015/2193, we took into account that stricter emission limit values will apply to the compressor units of the Panevėžys GCS from 2030. Under current operating conditions, the existing equipment will no longer meet these requirements. To ensure the continuity of operations at the Panevėžys GCS, as well as to increase energy efficiency and reduce air pollutant emissions, we allocate financial and technical resources to technological upgrades and the implementation of less polluting solutions.

Our Group company Amber Grid has set targets to reduce air pollution by 2030. These targets are aligned with Amber Grid's long-term strategic direction of increasing energy efficiency across all operational processes and with the requirements of Directive (EU) 2015/2193, to ensure compliance with the established emission limit values.

Below we present information on the actions implemented in 2025 related to the reduction and prevention of air pollution, as well as progress towards the established targets. Emission reduction targets will only be achieved upon the full implementation of the GCS modernisation projects; therefore, interim emission reduction progress is not applicable until their completion. Progress is monitored and disclosed annually by assessing the implementation of planned actions by project phase (design, procurement, construction and equipment installation).

Area	Target	Base year, air pollution emission values	Target value	Actions implemented in 2025
Air pollution reduction	Modernising the Jauniūnai GCS by 2029	Base year – 2022 Base year emissions: CO – 73 t. NO_x – 59 t.	Reducing Amber Grid's total annual air pollution emissions: CO – 40%, NO_X – 40%, compared to 2022.	Contract signed for the modernisation of the Jauniūnai GCS – design and installation of an electric compressor. Planned duration of the works – up to 42 months from the date of contract signature. Design and preparatory works initiated.
	Modernising the Panevėžys DKS by 2030	Base year 2022. Base year emissions: CO – 73 t. NO_x – 59 t.	Reducing Amber Grid's total annual air pollution emissions: CO – 60%, NO_X – 60%, compared to 2022.	Screening for Environmental Impact Assessment (EIA) carried out for the modernisation of the Panevėžys GCS. The EPA decided that an EIA is not required. As part of the modernisation, two electric compressors will be installed to replace the existing gas-driven compressors, thereby reducing natural gas consumption and air pollutant emissions.
Prevention of air pollution	Monitoring of emitted air pollutants	–	Ensuring that emissions comply with emission standards	The monitoring of emissions from the Panevėžys and Jauniūnai LCAs was carried out in accordance with monitoring programmes approved by the EPA. No exceedances of the established limits were recorded.

Note: Information on the financial resources for the implementation of the tasks (modernisation of the Jauniūnai and PanevėžysGCCs) is not provided in this section. These projects are included in the Group's GHG emission reduction action plan; therefore, data on the financial resources allocated to them in the reporting year are disclosed in the climate change (E1) section.

E2-4 Pollution of air

Ambient air pollution calculation methodology

Annual air pollutant emissions are calculated in accordance with the EMEP/EEA Air pollutant emission inventory guidebook 2023 and methodologies approved by the Ministry of Environment. No assumptions are made in the calculations.

The annual amount of pollutants emitted by Amber Grid's ambient air pollution sources is compared with the emission threshold values set out in Annex II to Regulation (EC) No 166/2006. Emission levels 2023–2025 remained within the limits established by this Regulation.

Pollutant	Threshold for releases (t/year)	Pollutants released to air (t/year)		
		2025	2024	2023
Carbon monoxide (CO)	500	53.9	46.0	51.0
Oxides of nitrogen (NO_x / NO_2)	100	29.3	29.3	35.0

E2-5 Substances of concern and substances of very high concern

No substances of concern or substances of very high concern are released to air from Amber Grid's ambient air pollution sources.

E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities

At present, making use of the option for phased application of the disclosure requirements, we do not provide information on the financial effects.

E4 Biodiversity

The Group's Double Materiality Assessment identified, within the topic of biodiversity and ecosystems, material subtopics related to negative impacts on land use and the condition of species populations. A risk was identified related to investments concerning the assessment of impacts on biodiversity and ecosystems and their restoration. These subtopics, risks and their impacts are material at the consolidated Group level. More details on the DMA process, methodology and results are provided in the section *Group's Double Materiality Assessment*.

Impacts

⊗ **The actual negative** impacts are related to land-use changes resulting from the impact of network infrastructure on ecosystems and The actual negative impact is related to land-use changes resulting from the impact of network infrastructure on ecosystems and the extraction of biomass at the upstream stage of the value chain.

⊖ **Potential negative** impacts on species population size may be associated with the development and maintenance of energy infrastructure.

⚠ **Risks**

The **risk** arises from legal regulation (conducting EIA, payment of taxes, and (or) implementation of impact mitigation and natural environment restoration measures following infrastructure works).

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

The protection of biodiversity and ecosystems has been integrated into the Group's long-term business strategy. In implementing new projects, we are committed to achieving no net loss of biodiversity. The Group plans to prepare in 2026–2027 a comprehensive analysis of impacts on biodiversity and ecosystems and an action plan in order to manage potential negative impacts in a systematic and consistent manner. The action plan will include a more detailed assessment of the resilience of the business model and strategy.

At present, our direct operations have not been identified as having a material negative impact on threatened species. The prevention and assessment of potential risks are ensured during environmental impact assessment (EIA) procedures.

E4-2 Policies related to biodiversity and ecosystems

Impacts related to biodiversity are managed in accordance with the Group's environmental and sustainability policies. Further information on the implementation of these policies is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

The Group's **Environmental Policy** commits us to protecting and monitoring biodiversity when developing and operating energy infrastructure, and to applying mitigation and compensation measures where necessary. The **Sustainability Policy** commits us to reducing the environmental impact of our activities.

The Group does not have a separate policy for managing the impacts of biomass extraction in the value chain; however, this area is regulated by legal requirements applicable to the Group company Baltpool. Baltpool administers a biofuel exchange where trading auctions for standardised biofuel products are conducted. In the exchange, impacts are managed through the application of the European Union Deforestation Regulation and the rules of the national biofuel sustainability and greenhouse gas emission reduction scheme RED BP. This ensures that participants of the biofuel exchange do not source forest biomass from primary forests and other highly biodiverse forested land, old-growth forests, natural and non-natural grasslands, heathlands, wetlands or peatlands. In addition, a Partner Code of Ethics is applied to exchange participants, requiring them to minimise the environmental impact of their activities.

E4-3 Policies related to biodiversity and ecosystems

Within the Group, actions to manage and mitigate significant negative impacts are integrated into our normal operational and management processes and are financed from our overall operating budget. Implementation of these actions does not require any significant investment or operational expenses and does not involve external funding. We use internal human and organisational resources to implement our actions. Consequently, no specific amounts of financial resources allocated to these actions are separately identified or disclosed.

The Group companies prepare environmental impact assessment documentation, carry out environmental monitoring and perform significance assessments for Natura 2000 sites, as applicable to the nature of their operations. These measures support the assessment and management of negative impacts on biodiversity and ecosystems arising from their activities. Activities in the Group's companies are carried out in compliance with legal requirements, and we actively cooperate with stakeholders.

The EIA process and monitoring are the main measures applied to manage negative impacts on biodiversity and ecosystems.

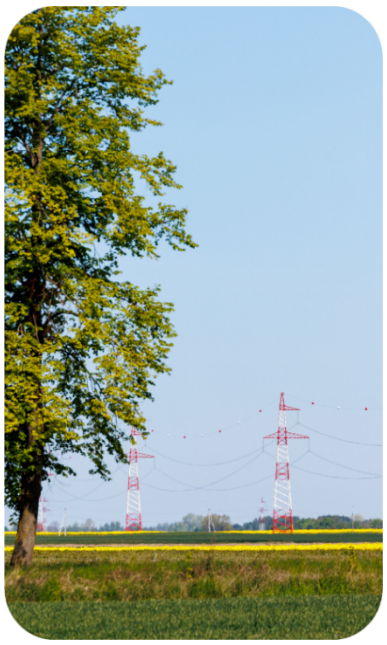


Actions Related to Biodiversity and Ecosystems at Amber Grid

We protect biodiversity in compliance with legal requirements. In our activities, when planning infrastructure reconstruction or development, we assess the need for an EIA or EIA screening at the investment planning stage. If an EIA or EIA screening is necessary, we carry it out already at the project planning stage. Based on the results of the EIA or EIA screening, the potential impact on biodiversity is assessed, and measures for preventing, reducing, compensating and restoring the impact are planned. If necessary, we also carry out post-construction monitoring in order to monitor and ensure the processes of natural restoration.

We maintain a balance of vegetation, green spaces and impermeable surfaces on most sites and in their surroundings. The territories are not fully covered with hard surfaces—permeable gravel is used in many locations, and vegetation is managed in accordance with legal requirements and safe infrastructure operation standards.

In 2021–2025, Amber Grid carried out environmental monitoring of the GIPL (Gas Interconnection Poland–Lithuania) pipeline. The monitoring was conducted under the environmental monitoring programme agreed with the Environmental Protection Agency in 2016. It was determined that construction had no material negative impact on the environment. Monitoring showed that the construction of the transmission gas pipeline interconnection had no material impact on natural grassland habitats of European Community importance and that biodiversity and habitats in the pipeline areas are recovering naturally.



Actions Related to Biodiversity and Ecosystems at Litgrid

In operating and developing energy system infrastructure, we are committed to ensuring the protection of biodiversity and ecosystems. At the project planning stage, environmental impact assessments (EIAs) are carried out to assess potential impacts on biodiversity in advance and to identify the necessary avoidance, mitigation, compensation or restoration measures. Biodiversity monitoring is conducted and, based on its results, appropriate management measures are applied. Monitoring and restoration actions are planned together with projects and integrated into short-term (1 year), medium-term (3 years) and long-term (10 years) operational plans.

To manage negative impacts on bird populations and their habitats, the following mitigation hierarchy is applied:

- Avoidance – when planning new overhead line routes, alternatives are assessed and sensitive areas are avoided; works are not carried out during periods sensitive to wildlife;
- Minimisation – during the EIA, the need for impact mitigation measures and monitoring is identified, and technical designs provide for and implement bird protection solutions (markers, reflectors, spiral devices, nest boxes, insulators, etc.);
- Restoration – local soil and vegetation are used for the reclamation of disturbed areas;
- Offsetting – nest boxes for birds of prey (e.g. owls) are installed and maintained, contributing to the restoration of habitat functionality.

Information on the actions implemented in 2025 related to the reduction of impacts on biodiversity and the resources allocated is provided below.

Area	Measures implemented in 2025
Environmental monitoring of surface water bodies, landscape and birds (Amber Grid)	In 2025, post-construction environmental monitoring of the GIPL pipeline was completed.
Reduction of forest cutting along overhead lines (Litgrid)	In the new 256 km, 330 kV overhead line crossing sensitive natural areas, the width of the mandatory clearing corridor was reduced from 30 m to 20 m on each side of the outer conductor. For this purpose, taller towers (from 37 m to 49 m) were designed, thereby reducing the area of forest to be cleared and the impact on habitats.
Bird protection measures (Litgrid)	Wire visibility enhancement measures (bird flight diverters, spirals) were installed and nest boxes were erected. Bird mortality monitoring was carried out to assess the effectiveness of the measures and to improve them where necessary.

E4-4 Policies related to biodiversity and ecosystems

Currently, we have not set specific objectives or allocated resources to systematically manage the negative impacts of our operations on biodiversity and ecosystems. The Group's strategy includes a commitment to achieving No Net Loss of Biodiversity in new projects. To implement this strategic commitment, the Group plans to prepare a biodiversity and ecosystems analysis and

an action plan in 2026–2027. The action plan will define specific targets, measures, monitoring metrics and potential resources required to avoid, reduce, restore and (or) offset negative impacts.

We monitor and manage our impacts on biodiversity and ecosystems Amber Grid and Litgrid organise their activities in accordance with an environmental management system compliant with ISO 14001. The system ensures compliance with legal requirements, the identification and control of negative environmental impacts, continuous improvement of environmental performance, and the management of risks and emergency situations.

E4-5 Impact metrics related to biodiversity and ecosystems change

At present, no quantitative impact metrics related to biodiversity and ecosystems have been established. Taking into account the specific nature of the energy sector, it should be noted that Amber Grid and Litgrid infrastructure is linear and distributed across the territory of Lithuania; therefore, consolidated data on the total surface area occupied by the infrastructure or its share in protected areas are not currently available.

It has been identified that Amber Grid compressor stations, gas metering and distribution stations, and transmission gas pipelines, together with their 25-metre protection zones, fall within, border on or cross protected areas. Specifically, Amber Grid stations border three protected areas and cross the Luponė stream. The transmission gas pipeline laid across the territory of Lithuania crosses 414 rivers and 9 ponds and runs through 41 reserves, 2 botanical natural heritage sites, 5 biosphere polygons and 52 sites of importance for habitat protection.

Protected areas	Stations and protection zones	Gas pipeline and protection zone
Territories important for the protection of habitats	Do not fall within	• Gerviraistis and Alionys wetlands. • Anykščiai Forest, Prienai Forest and Strošiūnai Forest. • Surroundings of Daugyvenė, Marijampolis, Gižai, Kiemeliškės, Lapynos, Karajimiškis, Čerkiškė, Naujakiemis, Naujasis Lentvaris, Kernavė, Pamūšiai and Laukesa. • The River Neris and the Loops, Kaunas Lagoon and the Nemunas Loops. • Nevėžis, Šešuvis, Pašešuvis, Verknė, Merkys, Šventoji, Minija, Žeimena, Virinta, Minija, Veiviržas, Šalpė, Mera, Širvinta, Visinčia rivers. • Karšuva, Žalioji, Šešuoliai forests. • Rietavas, Babtai-Varluva, Buda, Pravieniškės, Kazlų Ruda, Žėbiškės, Lomanka, Sabališkės, Taujėnai-Užulėnis, Labūnava, Ąžuolija, Lavoriškės, Gubernija, Budai forests. • Pagramantis Regional Park
Biosphere polygons	Do not fall within	• Babtai-Varluva, Gubernija Forest, Labūnava Forest, Buda-Pravieniškės, Taujėnai-Užulėnis Forest Biosphere Reserves
Biosphere reserves	Do not fall within	Do not fall within
Botanical objects of natural heritage	Do not fall within	• The areas of the Uogintai oak and Triliemenis oak
Reserves	Karajimiškis landscape reserve	• Veiviržas, Merkis, Šventoji, Minija, Žeimena, Jūra ichthyological reserves. • Anykščiai Forest, Jūra, Punia, Minija Valley, Nevėžis, Strošiūnai, Karajimiškis, Kulys (Grabijolai), Virinta, Tatula, Pamūšiai, Minija Breakthrough, Baravykinė, Nemajūnai, Naravai Village and Prienai Forest landscape reserves. • Kurkliai, Vokė Valley Slopes and Judinys geomorphological reserves, • Drubengis, Verdeikiai and Šventininkai Botanical Reserves. • The Great Nemunas Loops, Upytė, Praviena, Daugyvenė, Vokė and Alioji hydrographic reserves. • Daumėnai Geological Reserve. • Sabališkė Pedological Reserve. • Būda and Ąžuolija Botanical and Zoological Reserve. • Paryžinė Pine I Genetic Reserve.
Parks	Biržai and Anykščiai Regional Parks	• Neris, Biržai, Varniai, Anykščiai, Sirvėta, Nemunas Loops, Pagramančius, Kaunas Lagoon Regional Parks

More than 600 km of Litgrid's overhead transmission lines and about 21 km of cable lines cross protected areas. At present, no reliable data are available on the extent to which protected areas are affected.

E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities

At present, making use of the option for phased application of the disclosure requirements, We do not disclose the anticipated financial effects of biodiversity and ecosystem-related impacts, risks and opportunities.

E5 Circular economy

The Group's DMA identified material circular economy subtopics related to negative impacts on inflows and outflows due to the planned expansion of energy transmission infrastructure and negative impacts arising from waste generated across the value chain. These subtopics and impacts are material at the consolidated Group level. More details on the DMA process, methodology and results are provided in the section *Group's Double Materiality Assessment*.

Impacts
⊗ **Actual negative impacts** arise from waste generated by the Group's operations and across the value chain.
⊖ **Potential negative impacts** on inflows and outflows arise from the planned expansion of energy transmission infrastructure.

E5-1 Policies related to resource use and circular economy

We manage the impacts related to resource use and the circular economy by implementing the Group's Environmental Policy, Sustainability Policy, and Partner Code of Ethics. Further information on the implementation of these policies is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

The Environmental Policy commits the Group to follow pollution prevention principles, reduce the amount of waste generated in operations and ensure its safe and responsible management, while the Sustainability Policy commits the Group to consistently reduce the environmental impact of its activities.

We also promote the application of these principles throughout our supply chain. **The Partner Code of Ethics** sets out obligations for partners to apply circular economy principles, pursue responsible and environmentally sustainable sourcing of raw materials, encourage reuse, use secondary raw materials, ensure efficient use of natural resources, manage waste

The Group's strategy includes a preference for circular procurement practices. Efficient resource use and the implementation of circular economy principles are key aspects of our sustainability direction. However, at present, we do not have a Group-level business model integrating circularity principles. In the future, we plan to strengthen this area by detailing policies, objectives and implementation measures.

E5-2 Actions and resources related to resource use and circular economy

We do not currently have an approved action plan for resource use and the development of the circular economy; however, we are already implementing circular economy principles in our operations, focusing on waste prevention, reuse, recycling, and extending the lifecycle of resources.



Reuse and recycling of resources

- During maintenance and repair of natural gas pipelines, removed components (e.g. metal pipes) are directed for recycling.
- Suitable pipeline components, insulating oil and SF_6 gas are prioritised for regeneration and (or) reuse. Only when materials no longer meet the established technical requirements do we pass them on to waste managers for further treatment. This reduces the need for primary raw materials and promotes closed-loop solutions.



Extension of the service life of equipment and infrastructure

The Group company Litgrid applies higher zinc coating thickness requirements for steel electricity transmission line towers, thereby extending their service life by up to 1.5 times and reducing the need for new materials.



Reuse of office assets

When replacing office furniture, we organize auctions for decommissioned assets, allowing employees to purchase items and give them a second life. Unsold furniture is handed over to waste management companies for recycling.

Waste management and contractors' obligation

- Waste generated during operations is sorted and handed over to waste management companies. We prioritise recycling and reuse, aiming to return as much material as possible to the economic cycle.
- Dismantled equipment parts suitable for reuse are stored and reused in maintenance and repair activities, reducing the need for new raw materials.
- Contractors working at our infrastructure sites are required to sort waste at the point of generation and report its transfer to waste management companies.

Strengthening a Sustainable Supply Chain

- In 2025, we developed the Group's Partner Code of Ethics, updated the partner due diligence process, and upgraded supplier evaluation information systems, integrating circular economy and resource efficiency principles.
- In 2025, the Group initiated the development of a sustainable supplier engagement programme, conducted an initial analysis and defined new sustainability and economic value criteria for supplier selection.
- The Group plans to further expand the application of sustainable procurement and circular solutions across the supply chain in 2026–2028.

These measures support the implementation of the circular economy hierarchy by prioritising waste prevention, promoting reuse and ensuring recycling. They also extend the life cycle of assets and materials, thereby reducing the need for virgin resources and the environmental impact across the Group's operations and the value chain.

E5-3 Targets related to resource use and circular economy

The Group currently has no quantitative or time-bound targets for the systematic implementation of circular economy principles and the efficient use of resources. We recognise the materiality of this sustainability topic and its links to environmental impact reduction, operational efficiency and value chain resilience, and plan to strengthen this area in the future.

Although targets have not yet been established, we already monitor the effectiveness of managing this topic through operational indicators and processes. Within the Group, we regularly collect and analyse data on the use of key resources and the generation and management of waste, including:

- Quantities of materials consumed (E5-4 Resource inflows);
- Quantities of waste generated and waste treatment methods (E5-5 Resource outflows);
- Application of measures for reuse, recycling, and extending the lifecycle of resources (E5-2).

These metrics provide an assessment of trends and developments and provide a basis for setting future targets for the circular economy and resource efficiency.

Resource use and the related impacts associated with waste generation are monitored and managed. Amber Grid and Litgrid organise their activities in accordance with an environmental management system compliant with ISO 14001. The system ensures legal compliance and the identification and control of material impacts related to the use of raw materials, materials and waste. The system also supports continuous improvement in resource use efficiency, waste prevention and the promotion of recycling.

E5-4 Resource inflows

The Group companies do not manufacture goods or place products on the market. This section therefore discloses only the resource inflows used to carry out operations and provide services related to the operation, maintenance and upgrading of energy infrastructure. The main categories of resource inputs include natural and building materials, metals, gas transmission system infrastructure materials and other technical resources.

The main categories of resources used in electricity and gas transmission (Litgrid and Amber Grid) and in the maintenance of engineering networks (Tetas) are presented in the table below:

Natural materials	Metals	Construction materials
Sand, crushed stone, gravel and other materials used in building and construction.	Steel, sheet metal, metal structures, reinforcement, bolts, metal fastening components and other materials used for the construction and repair of electricity and gas transmission networks.	Concrete, rubber, waterproofing materials, sealants and various composite materials used to ensure the protection and integrity of pipelines, electricity lines and equipment.

Resource inputs relevant to EPSO-G, Baltpool and Energy Cells include furniture, computer equipment and electronic devices. The Group companies also use various machinery and equipment for network maintenance and repair:

- Heavy machinery – excavators and cranes for pipeline construction and renovation works;
- Transport vehicles – trucks and specialised vehicles used for transporting equipment and materials to work sites, as well as passenger cars;
- Operational equipment – compressor units, boilers and other equipment used for energy generation;
- IT equipment – digital monitoring systems used for infrastructure management.

Methodology for calculating resource inflows

The Group companies filter purchased goods and raw materials from the accounting reports that are already recorded in mass units (kg, t) and include them in the reporting table. For other categories that are recorded in non-mass units (e.g. units, m, m², sets, pairs), the methodology developed by Circulytics (Ellen MacArthur Foundation) is applied.

Methodological limitations and uncertainties:

The Group companies purchase a very large volume and wide variety of goods and raw materials each year. Detailed calculation and disclosure of all categories at once is not feasible due to time and human resource constraints. The Group therefore applies a phased approach to the inclusion of resource inflows in the Sustainability Report:

- Main scope. In 2025, at least 20 of the largest resource inflow categories will be calculated and disclosed for each Group company.
- Additional assessment. All lists will be critically reviewed in addition to the largest categories by volume in order to identify and include other material categories. These categories (i) may not fall within the top 20 by unit count but (ii) are material in terms of mass or impact (e.g. heavy machinery, metal structures, construction materials).
- Expansion principle. The Group plans to gradually increase the number of resource inflow categories included in the report each year in order to cover a broader range of purchases over time.
- Quantities of insulating oil are determined by direct measurement (weighing). Consumption is defined as the oil used to fill the Group's equipment (transformers). If the oil parameters meet the requirements, the oil is returned to the warehouse for further use. The returned quantity is currently not accounted for separately.
- Sustainable and secondary raw material data. Data on sustainably sourced bio-based materials and on secondary (recycled) raw materials used are currently not collected or accounted for separately.
- Categories of reused and recycled products are currently not accounted for separately.

Materials used for service delivery

Resource inflows	Measurement units	2025	2024	Change 2025/2024, %
Building materials (concrete, rubber, waterproofing, etc.)	t	122.4	n/a	–
Natural materials (sand, crushed stone, gravel, etc.)		23,159.5	n/a	–
Metals (steel, sheet metal, metal structures, fittings, bolts, fasteners, etc.)		254.6	n/a	–
Gas transmission system infrastructure materials		81.2	n/a	–
Chemicals		15.7	n/a	–
Medicines, hygiene products, etc.		1.6	n/a	–
Specialised clothing, footwear and other personal protective equipment		0.4	n/a	–
Wires, cables, electrical appliances		25.7	n/a	–
Furniture		0.4	n/a	–
Insulating oil for transformers		0.5	15.0	(97)

E5-5 Resource outflows

In line with pollution prevention and circular economy principles, the Group seeks to reduce the amount of waste generated in its operations and to ensure its safe and responsible management across the Group. Waste is managed in accordance with the waste hierarchy: prevention and reduction are prioritised, followed by reuse and recycling, and disposal only as a last resort.

All Group companies sort waste generated in their operations and transfer it to waste management operators and recyclers in compliance with legal requirements and contractual obligations. This approach seeks to ensure that as large a share of waste as possible is returned to the economic cycle as secondary raw materials, while minimising the amount of waste disposed of.

The Group companies do not manufacture or place products or packaging on the market; from a resource outflows perspective, only waste generated during operations is relevant (e.g. scrap metal, insulating materials, oil, construction and repair waste, office waste). Quantities of this waste and their treatment methods (recycling, reuse or other recovery, disposal) are presented in the table below.



Methodology for calculating resource outflows (waste)

Hazardous and non-hazardous waste generated in the Group's operations is recorded in the Unified Product, Packaging and Waste Accounting Information System (GPAIS). Consolidated data are prepared on the basis of GPAIS reports submitted by the Group companies and additional information on waste treatment methods (recycling, reuse, disposal, etc.) obtained from waste management operators and

Methodological limitations and uncertainties.

Information on the final treatment of waste is based on data and certificates provided by third-party waste management operators. This may result in methodological limitations and uncertainties.

Exclusions and reporting boundaries.

Waste generated in the operations of Baltpool, Energy Cells, EPSO-G and EPSO-G Invest is excluded from the scope of disclosure, as its quantities are considered immaterial at the Group level based on the materiality criteria. The disclosure includes waste data from Amber Grid, Litgrid and Tetas.

Waste from operations

Waste generated in t			
	2025	**2024**	**2023**
Total quantity	3,269.5	4,071.6	5,060.6
Hazardous	197.1	243.5	231.0
Non-hazardous	3,072.4	3,828.1	4,830.7
Waste directed for recycling			
Total quantity	3,023.0	3,747.1	4,980.0
Hazardous	110.4	78.8	195.8
Non-hazardous	2,912.6	3,668.3	4,784.1
Waste directed for re-use			
Total quantity	7.3	0	0
Hazardous	7.3	0	0
Non-hazardous	0	0	0
Waste directed to other recovery operations			
Total quantity	136.2	152.3	0
Hazardous	56.4	138.3	0
Non-hazardous	79.9	14.0	0
Waste directed for disposal (with energy recovery)			
Total quantity	89.2	163.8	78.2
Hazardous	22.9	24.5	35.2
Non-hazardous	66.3	139.3	43.2

Waste directed for disposal (landfill)			
Total quantity	13.8	8.4	2.5
Hazardous	0.1	1.9	0.1
Non-hazardous	13.7	6.5	2.4

Note: No radioactive waste is generated by the Group's operations.

Non-recycled waste*	2025	2024	2023
Total quantity, t	103.0	172.2	80.7
Share of total waste, %	3.1	4.2	1.6

Note: Non-recycled waste – the sum of waste sent for disposal.

The largest quantities of waste are generated in the construction and demolition waste category. This waste is generated during the construction, reconstruction and repair of energy transmission networks carried out by the Group companies Amber Grid and Litgrid, as well as by Tetas, which performs works at energy facilities. This waste is generated during the reconstruction of electricity and natural gas transmission infrastructure, including the dismantling of overhead and underground electricity transmission lines, transformer substations, switchgear and main gas pipelines. Waste quantities depend on the scope of reconstruction and repair projects implemented during the reporting period. The total amount of waste generated decreased by 19.7% compared with the previous reporting period.

Concrete and metals account for the largest share of construction and demolition waste, including steel, iron, aluminium, copper, mixed metals, metal structures and cables. Hazardous waste accounts for approximately 6% of total waste and mainly consists of oil and petroleum waste, including insulating oil.

In 2025, approximately 97% of all waste generated (2024: 95%) was directed to these operations –recycling, re-use and other recovery while approximately 3% was directed to disposal (2024: 4%).

E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

Making use of the option for phased application of the disclosure requirements, we do not provide information related to financial impact.

8.4. Social information

8.4.1. S1 Own workforce

8.4.1.1. Employee welfare and working conditions

The Double Materiality Assessment identified material positive impacts in the topic of the Group's own workforce. These impacts arise from a transparently implemented remuneration policy, open communication with trade unions and works councils, and the development of competence development programmes. The DMA also identified a material negative impact related to the limited inclusion of people with disabilities and the work–life balance of employees working in outdoor conditions. Material impacts were consolidated at the Group level. More details on the DMA process, methodology and results are provided in the section *Group's Double Materiality Assessment*.

Impacts
⊕ **Actual positive** impact on employees due to the transparent implementation of remuneration policies.
⊕ **Actual positive** impact on employees is created through open and active communication and through the continuous maintenance of constructive engagement with trade unions, works councils, and employees.
⊕ **Actual positive** impact stems from the delivery of internal and external skills development and job enhancement programmes to employees across the Group.
⊖ **Actual negative** impact on employees due to minimal inclusion of people with disabilities.
⊖ **Actual negative** impact on the work-life balance of employees working in field conditions.

S1-1 Policies related to employee well-being and working conditions

We have defined key operating principles aimed at ensuring employee well-being and working conditions. These principles are enshrined in the Group's Employee Equal Opportunities Policy, Employee Remuneration, Performance Management and Development Policy and the Partner Code of Ethics. Further information on the implementation of these policies is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

The Employee Equal Opportunities Policy establishes the Group's commitment to ensuring that the principles of equal opportunities and non-discrimination are applied across all areas of employment (including non-discrimination on the grounds of racial or ethnic origin, skin colour, sexual orientation, gender identity, disability, age, religion, political opinion, nationality or social origin, and other forms of discrimination), and that employment-related decisions are based on competence, qualifications and professional merit. We maintain a zero-tolerance approach to any form of discrimination, harassment or violence, ensure safe, respectful and inclusive working conditions, and implement preventive and response measures, including confidential reporting channels and whistleblower protection.

In line with **Employee Remuneration, Performance Management and Development Policy,** we ensure a fair, transparent and equal opportunities-based remuneration and career framework applicable to all employees. Performance management and development are aligned with clear objectives, competence enhancement and professional growth, with the aim of attracting, retaining and developing qualified employees over the long term.

The Group applies not only internal policies but also a consistent system of programmes that ensures employee development, leadership strengthening, an inclusive organisational culture, and business continuity.

Inclusion and human rights

- **Diversity and inclusion strategy.** We aim to create an inclusive, respectful and equal opportunities-based working environment, promote tolerance, value diverse experiences, and foster a strong organisational culture.
- **Human rights management.** We have embedded human rights governance in our Equal Opportunities Policy, while measures for the prevention, monitoring and remediation of human rights impacts are described in the section *Processes, measures, and mechanisms for monitoring and remediation related to equal opportunities, human rights impacts, and the protection of particularly vulnerable and marginalized groups.*

Competence and leadership development

- **Future competence building programme.** We identify the priority competencies needed to implement the Group's strategy and invest strategically in their development.
- **Succession programme.** We ensure continuity of leadership and critical positions, develop internal leaders and build a sustainable talent pool, and strengthen the Group's ability to respond to continuous change.
- **Mentoring programme.** We strengthen the leadership competencies of future leaders and specialists, promote the transfer of experience, and foster consistent talent growth within the Group.
- **Learning Directory.** Across the Group, a learning programme is implemented to develop employees' leadership capabilities, professional skills, and core competencies.

Work organisation and social dialogue

- **Remote work arrangement.** We establish principles for granting and organising remote work, define employees' rights and responsibilities, and set requirements for information and cyber security, creating conditions for flexible and secure work.
- **Collective agreements (Litgrid, Amber Grid).** Collective agreements in force in these Group companies establish additional social guarantees, employee rights, and the principles of social dialogue that ensure fair and transparent working conditions.

The Group has not identified risks related to human trafficking, forced labour, or child labour in its operations, and these risks are not considered material. Consequently, no separate policies are currently applied for these issues, and applicable national and international legislation is adhered to.

S1-2 Processes for engaging about impacts and S1-3 Processes and channels for remediation of negative impacts

The Group systematically involves employees and their representatives (trade unions, works councils, and others) in decision-making. A range of engagement methods is applied, including regular communication, consultations, dialogue, and feedback collection. The results are analysed and, where appropriate, incorporated into decisions to enhance working conditions. This process is the responsibility of the Group's People and Culture function. The following outlines the key engagement channels and remediation processes.

Processes and channels	Description
Annual employee engagement survey and other surveys	The Group conducts an annual employee engagement survey to assess employee engagement, empowerment, satisfaction with working conditions, equal opportunities, quality of leadership and psychological safety. Employees can anonymously submit comments and suggestions. The summarized results are communicated to employees and their representatives and serve as the basis for developing action plans aimed at enhancing the working environment and employee well-being. Some Group companies additionally conduct short surveys on employees' emotional well-being.
Employee meetings	The Group periodically holds employee meetings to review performance results and objectives, discuss planned changes, and address matters relevant to employees. During these meetings, employees are actively encouraged to engage in discussions, express their views, raise questions, and obtain direct responses from management.
Roundtable discussions	We organise roundtable discussions involving employees and their representatives to discuss topics of interest to the Group and employees. We collect opinions and suggestions in an informal manner, analyse them, and, when appropriate, incorporate them into process improvements and decision-making.
Implementation of the Group's Diversity and Inclusion Strategy	The Group encourages employee representatives to participate in the implementation of the diversity and inclusion strategy in order to raise awareness and understanding of this topic. Representatives participate in discussions on improving the work environment and adapting it to employees with diverse needs and are invited to contribute to the assessment of employee needs.
Anonymous whistleblowing channels	The Group maintains anonymous whistleblowing channels that enable employees to confidentially report issues related to the work environment, potential impacts on their labour rights, and (or) violations of the Code of Ethics or equal opportunities policies. All reports are logged, investigated in accordance with established procedures and, where necessary, corrective and preventive measures are taken. For more information on whistleblowing channels, see the section *G1-1 Corporate culture and business conduct policies.*

S1-4 Taking action on material impacts

The Group has integrated actions aimed at managing and reducing material negative impacts into its regular operations and governance processes and finances them from the general operating budget. The implementation of these actions does not require separate material capital or operating expenditures and is not associated with external financing. The Group uses internal human and organisational resources to implement these actions. Consequently, no specific amounts of financial resources allocated to these actions are separately identified or disclosed.

Below, we provide information on the measures implemented during the reporting year to manage identified material impacts on employee well-being, working conditions, remuneration, professional development, and inclusion.

Area	Actions implemented in 2025
Working conditions	• Functional team engagement discussions, roundtable discussions on various topics, and "Hot Seat" sessions were organised. • Psychological safety was strengthened through informal activities within departments and by updating and integrating the values into the Group's Code of Ethics. • A hybrid work model was maintained, enabling the combination of remote and office work and thereby supporting work–life balance. • Additional rest breaks were introduced for employees working in outdoor conditions in order to reduce physical fatigue, manage increased workloads, and ensure safe working conditions. • Dedicated training for employees working in outdoor conditions was organised, focusing on risk identification and management, thereby reinforcing safe working skills and reducing the likelihood of incidents. • Preventive communication on specific risks related to outdoor work and their management was strengthened. Relevant information was regularly provided to employees by email, while occupational health and safety specialists visiting sites offered practical advice and on-site recommendations. This supports the timely identification of risks and the consistent application of safe working practices in daily operations.
Remuneration policy	• Approval and communication of a new Group remuneration policy to all employees, clearly defining the principles and processes for remuneration setting, allocation, and performance evaluation. • Organisation of training for managers and employees on the remuneration system and its key application principles. • Preparation and presentation of annual remuneration review guidelines, together with methodological consultations for managers. • Preparation for the implementation of the Pay Transparency Directive, including a review of remuneration data and the development of an implementation action plan. • Development and Group-wide presentation of a unified employee value proposition.
Learning and development	• Strengthening of the collaboration culture through the launch of joint leadership and core competence development programmes across Group companies. • Implementation of a leadership training programme based on competence levels. • Update of core competence development directions and development of a new Group training catalogue. • Implementation of engineering and future skills programmes (e.g., "Level_UP II", "Changing Energy" training at Baltpool, Amber Grid, and Energy Cells). • Implementation of process management development, including employee participation in Kaizen, PDCA, and efficiency methodology training, as well as the preparation of process management templates and materials.
Inclusion of people with disabilities	• Signing of the Diversity Charter, conduct of an equal opportunities assessment, and development of a 2025 action plan to strengthen inclusion. • **Participation in the social employment agency SOPA project "DuoDay".** • Implementation of initiatives across Group companies promoting respect, openness, and psychological safety, including employee involvement in discussions, educational, and informal activities.

The measures implemented during the reporting year in the areas of working conditions improvement, remuneration policy, learning and development, and inclusion of people with disabilities will continue in 2026 as ongoing activities integrated into the Group's management systems. Through the continuity of these actions, we aim to consistently enhance employee well-being, a safe and inclusive work environment, competency development, and a fair and transparent remuneration system, thereby systematically managing identified adverse impacts and strengthening the Group's long-term resilience.

S1-5 Targets related to managing material impacts

The Group sets objectives aimed at enhancing employee well-being and supporting the achievement of long-term strategic business goals. Objectives are defined in line with the Group's strategic direction and priorities, employee engagement survey results, internal analytical data, as well as applicable national and international regulations and best practices.

When setting targets, we look at historical progress, employee composition and key engagement indicators, defining clear, quantifiable targets and deadlines for each objective. Progress in achieving objectives is monitored annually using quantitative indicators and insights from employee engagement surveys, with objectives reviewed and updated as needed.

We do not directly involve employees and their representatives in the objective-setting process; however, we systematically assess their expectations and needs, identified through employee engagement surveys and ongoing dialogue, and use these insights to shape priority areas of activity.

Target	Target value	Progress towards targets	Status
Women in top management positions*	≥ 21% by 2027 ≥ 30% by 2035	In 2025, women represented 19% of top-level executive positions. (2024: 14%). We are witnessing a positive growth trend. Progress was driven by targeted Group initiatives to strengthen gender balance, including reviewing the recruitment process and applying gender balance principles from the candidate sourcing stage.	**Target in progress**
Employee engagement rate**	≥70% by 2035	In 2025, employee engagement rate reached 76 % (2024: 71%). The engagement rate has been achieved and maintained. The result was ensured by targeted measures focused on managing material impacts in the areas of employee well-being, working conditions, remuneration, professional development, and inclusion.	**Target in progress**

* Top management positions include board members, heads of companies, and senior executives.

** Calculation of the metric is based on the Engaged Performance Survey©.

Processes, measures, and mechanisms for monitoring and remediation related to equal opportunities, human rights impacts, and the protection of particularly vulnerable and marginalized groups.

The Group implements comprehensive mechanisms to ensure and strengthen the principles of equal opportunities, inclusion, human rights, and the protection of vulnerable groups:

- Application of the Equal Opportunities Policy, the procedure for the prevention of discrimination, harassment and violence, the Code of Ethics, the diversity and inclusion strategy, and the Labour Code of the Republic of Lithuania. These documents establish the principles of non-discrimination, respect, inclusion, and equal opportunities applicable to all employees and candidates, and ensure the right to participate in decision-making and to have equal career opportunities.
- Organisation of regular training for managers and employees on equal opportunities, diversity, and human rights to strengthen competences and prevent discrimination and inappropriate behaviour. Working conditions, working time, and the work environment are adapted, where needed, to individual employee needs through flexibility measures and technical solutions.
- Ensuring social dialogue through functioning works councils and trade unions, representing employees' interests and engaging in consultations with the employer. Policies, procedures, and training materials are published on the intranet, providing all employees with easy access to relevant information.
- Integration of human rights, non-discrimination, and labour ethics principles into supply chain management and the Partner Code of Ethics, establishing requirements for suppliers and other business partners.
- Continuous monitoring of the implementation and effectiveness of policies, including annual employee engagement surveys used to identify risks and issues and to apply corrective actions in order to ensure a safe and respectful work environment.

- Appointment of responsible persons for human rights and equal opportunities who ensure that all potential violations are properly investigated and, where confirmed, that corrective measures are applied, including consultations, psychological support, and the adaptation of working conditions.
- Implementation of anonymous and confidential whistleblowing systems enabling employees to safely report potential violations. Received information is registered and assessed in accordance with established procedures, and the results are used to improve processes and prevent negative impacts. For more information on these mechanisms, see sections S1-2 *Processes for engaging about impacts* and S1-3 *Processes and channels for remediation of negative impacts* and G1-1 *Corporate culture and business conduct policies*.

Monitoring of channels and ensuring their effectiveness

The Group has clearly defined and documented processes to monitor the effectiveness of whistleblowing channels and the progress of cases. These processes are established in accordance with the Group's Code of Ethics, the Internal Whistleblowing Procedures, and other internal legislation, ensuring a robust complaints and whistleblowing mechanism:

- Systematic registration of all received reports, monitoring of their handling progress, and statistical analysis to assess the frequency of channel use, timeliness of response, and effectiveness of resolutions.
- Assessment of channel effectiveness based on the principles of legality, accessibility, transparency, confidentiality, and compliance with human rights standards.
- Ensuring that employees are informed about the availability of whistleblowing channels and trust their functioning by providing access to internal documents through the document management system and by regularly updating information on the intranet regarding the channels and their use.
- Engagement of stakeholders, including whistleblowers and the Works Council, in dialogue related to the improvement and effectiveness of the channels.
- Continuous improvement of these mechanisms based on insights gained, analysis of handled cases, and employee feedback in order to ensure a high level of trust and effective prevention and remediation of negative impacts.
- Application of strict anti-retaliation measures established in the Internal Whistleblowing Procedures to ensure that all persons reporting potential violations are protected from any adverse treatment or consequences. Providing whistleblowers with feedback on the progress and outcomes of investigations, as permitted by confidentiality and data protection requirements.

S1-6 Characteristics of the Group's Employees



Methodology for calculating the number of employees

An employee is a person employed under an employment contract to perform tasks for remuneration under the direction of the employer.

All employee data are recorded on the basis of entries from the Group's personnel registration systems. The number of employees is determined at the end of the reporting year. The number of employees includes employees on maternity leave, paternity leave, parental leave, care leave, those performing military service or alternative national defence service, and interns employed under employment contracts. Trainees without employment contracts are not included in the calculation.

The employee turnover rate is calculated by dividing the number of employees who left the Group during the reporting year (resignations and dismissals) by the number of employees at the end of the reporting year.

Breakdown of employees by gender

	2025	2024	2023
Men	1,029	1,020	968
Women	375	333	303
Other	-	-	-
Total number of employees	1,404	1,353	1,271

During the reporting year, the Group employed 1,404 employees, of whom 27% (375) were women and 73% (1,029) were men. Compared to 2024, the share of women in the Group increased by 2 percentage points (2024: 25% women and 75% men), indicating a positive change in the gender balance.

Breakdown of the number of employees by gender and type of employment contract

	Women	Men	Total	Women	Men	Total	Women	Men	Total
			2025			2024			2023
Number of employees	375	1,029	1,404	333	1,020	1,353	303	968	1,271
Number of permanent employees	361	1,013	1,374	325	1,008	1,333	292	959	1,251
Number of temporary workers	14	16	30	8	12	20	11	9	20

Open-ended employment contracts predominate in the Group; fixed-term contracts are used only where there is an objective operational need, such as replacing employees on parental leave or performing project-based activities. In 2025, the number of fixed-term employment contracts increased compared to 2024 due to the Junior Engineers programme implemented by Amber Grid, under which employees were hired for a fixed period.

Employee turnover

	2025	2024	2023
Employees who quit or were made redundant	188	179	248
Employee Turnover Ratio, %	13	13	20

The Group's employee turnover rate remained stable at 13% in 2025 compared to 2024.

S1-7 Characteristics of non-employees in the undertaking's own workforce

During the reporting period, the Group had no non-employee workers attributable to its own workforce.

S1-8 Collective bargaining coverage and social dialogue

The Group ensures employee representation and social dialogue in accordance with applicable legislation and good practice. Collective agreements are in place in the Group companies Litgrid and Amber Grid and apply to all employees regardless of trade union membership. In these companies, collective agreements cover 100% of employees.

Works councils operate in the Group companies EPSO-G, Energy Cells, and Baltpool and constitute the main form of employee representation for social dialogue with the employer. A works council is not established in the Group company EPSO-G Invest due to the small number of employees (5). Overall, employee representation at the workplace is ensured for 99.6% of the Group's employees.

The Group has no agreements on employee representation in a European Works Council, a European Company (SE) Works Council, or a European Cooperative Society (SCE) Works Council.

S1-9 Diversity metrics

Gender distribution at the top management level

	Number of employees	Share of employees, %	Number of employees	Share of employees, %	Number of employees	Share of employees, %
		2025		2024		2023
Men	29	83	31	89	27	87
Women	6	17	4	11	4	13
Total	35	100	35	100	31	100

Top management is defined as the chief executives of the companies and senior executives whose positions are approved by decisions of the companies' Boards; members of the Boards are not included in the calculation of this metric. The share of women in top management positions has been increasing consistently and rose by 6 percentage points in 2025 compared to 2024. This progress was driven by the Group's targeted initiatives to strengthen gender balance, including a revised recruitment policy and selection processes in which gender balance principles are applied already at the candidate sourcing stage.

Distribution of employees by age groups

	Number of employees	Share of employees, %	Number of employees	Share of employees, %	Number of employees	Share of employees, %
		2025		2024		2023
Under 30 years old	160	11	152	11	147	11
30–50 years old	857	61	814	60	760	60
Over 50 years old	387	28	387	29	364	29
Total	1,404	100	1,353	100	1,271	100

In 2025, the age structure of employees remained stable and did not differ materially from previous years. Employees aged 30–50 constituted the largest share (61%), 28% of employees were over 50 years old, and employees under 30 accounted for 11%.

S1-10 Adequate Wages

In 2025, the adequate wage in Lithuania was EUR 1,038 gross per month (minimum monthly wage). Accordingly, all employees in the Group companies are paid an adequate wage. For more information, see section 6.3. of the Management Report.

S1-11 Social protection

The Group ensures social protection for all employees against loss of income due to major life events, including illness, unemployment (during the period of employment), occupational accidents, acquired disability, parental leave, and retirement. Social protection is ensured in accordance with the applicable legislation of the Republic of Lithuania and additional employer-provided benefits.

Additional benefits include the payment of 100% of the average salary for the first two days of temporary incapacity for work that coincide with the employee's work schedule and voluntary health insurance for the majority of employees (approximately 73%). These benefits also include initiatives promoting health, emotional well-being, and physical activity, as well as vaccination against influenza and tick-borne encephalitis for employees working in outdoor conditions.

The Group also provides one-off financial support to employees upon the birth or adoption of a child, to employees raising three or more children, and grants targeted benefits depending on family circumstances, as well as one-off payments in the event of emergencies.

S1-12 Persons with disabilities

Share of employees with disabilities

	2025	2024	2023
Share of employees with disabilities, %	0.9	1.0	0.6
Total number of employees	1,404	1,353	1,271

Important: The data is based only on information provided by employees, subject to restrictions on the collection of such information due to possible human rights violations.

S1-13 Training and skills development metrics

	Women	Men	All employees
Number of employee training hours	12,772	36,960	49,732
Average number of training hours	34	36	35

During the reporting year, the average number of training hours for women and men differed only slightly (by approximately 2 hours); therefore, learning and professional development opportunities are considered to be equally accessible to all employees in the Group.

Percentage of employees who participated in regular performance and career development reviews

	2025	2024	2023
All employees	97	96	100
Women	94	100	100
Men	99	86	100

The performance appraisal is carried out once per year; however, depending on the nature of the employee's role and level of responsibility, the appraisal frequency may vary. Employees on parental leave, employees whose probation period had not ended during the reporting period, and employees whose employment ended during the target-setting period do not participate in the performance appraisal.

S1-15 Work-life balance metrics

Percentage of employees who took family-related leave, by gender, %

	2025	2024	2023
All employees	5,1	4,7	4,2
Men	4,2	3,0	3,2
Women	7,7	9,9	7,6

Note: due to inaccurate input data for 2023 and 2024, we are adjusting the indicators of employees who took leave for family reasons. The change in the indicators is insignificant and is due to a technical error. Numbers previously reported: Percentage of all employees 3.7%; By gender, 6.6% of females and 2.7% of males (in 2024) and percentage of all employees 3.5%, 6.3% of females and 2.6% of males (in 2023).

S1-16 Remuneration metrics

Methodology for calculating remuneration metrics

When calculating remuneration metrics, all monetary and non-monetary remuneration elements accrued to an employee during the reporting period are included in the total salary amount. These elements comprise base monthly and (or) hourly pay; payment for overtime, night work, and work on rest days; holiday pay and compensation for unused leave. The total also includes annual financial incentives, one-off performance bonuses, allowances for performing additional functions or duties, and additional benefits granted to the employee that are treated as income in kind.

Sickness benefits and one-off payments are excluded from the calculation.

The calculations use full-time equivalent (FTE), i.e. the number of employees on an FTE basis, rather than the actual number of employees.

The data are collected from internal accounting systems.

Gender pay gap %

	2025	2024	2023
All employees	-1.02	-1.46	-3.70

The presented indicator reveals the percentage difference in women's wages from men's. There is a trend that the wage gap between women and men is decreasing every year.

Annual total remuneration ratio

	2025	2024	2023
Ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees (excluding the highest-paid individual)*	3.37	3.41	3.49

S1-17 Incidents, complaints and severe human rights impacts

The Group did not receive any reports related to human rights impacts during the reporting year.

8.4.1.2. Health and safety

The Group's DMA identified that a material subtopic within the own workforce topic relates to negative impacts on employee health and risks arising from non-compliance with occupational health and safety requirements. This impact and risk are material at the consolidated Group level. More details on the DMA process, methodology and results are provided in the section *Group's Double Materiality Assessment*.

Impacts

Potential negative impacts on employee health and safety may arise from specific working conditions, particularly for employees working on sites and in outdoor environments.

Risks

Risks to employees arise from non-compliance with occupational health and safety requirements.

S1-1 Health and safety policies

The Group has established key operating principles to ensure health and safety. These principles are set out in the Group's occupational health and safety policy and in the Partner Code of Ethics. Further information on the implementation of these policies is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

The Group's **occupational health and safety policy** commits to ensuring safe and healthy working conditions, preventing occupational accidents and diseases, implementing advanced technologies and working methods that reduce risk factors, and continuously strengthening the health and safety culture.

The Group applies the same principles in cooperation with partners. The **Partner Code of Ethics** requires partners to ensure safe and healthy working conditions for their employees, implement occupational health and safety management systems, and apply preventive measures aimed at reducing the risk of accidents and work-related illnesses.

S1-2 Processes for engaging about impacts and S1-3 Processes and channels for remediation of negative impacts

The Group systematically involves employees in dialogue on work-related impacts on their health and safety by providing opportunities to express their views, submit suggestions, and participate in occupational risk assessments and in decision-making on the improvement of working conditions. Employee involvement is ensured through formalised consultation and participation mechanisms, ensuring that their views are heard and taken into account when planning preventive and risk management measures.

We also ensure that employees have access to reliable channels to report occupational health and safety risks, violations, or other situations of concern. The information received is recorded and investigated in accordance with the established procedure and, where necessary, corrective and preventive measures are applied to eliminate identified causes and prevent occupational accidents.

The management of the Group's companies is responsible for involving employees in the management of potential negative impacts and in the implementation of solutions.

The key channels through which employees can raise and report occupational health and safety issues are presented below.

Processes and channels	Description
Trust line	The Group has established a Trust line through which employees can report violations of occupational health and safety requirements or other risks related to working conditions.
Occupational Health and Safety Committees	The Group's companies have established occupational health and safety committees whose representatives participate in occupational risk assessments, the planning of preventive measures, and submit proposals to the employer on improving occupational health and safety.
Occupational health and safety information system (DARSIS)	The Group uses a dedicated occupational health and safety information system (DARSIS) where employees can report observed incidents, occupational health and safety violations, unsafe workplaces, and submit suggestions regarding protective measures. This system also enables employees to review the results of occupational risk assessments and risk mitigation measures, information on employer-provided vaccinations, mandatory instructions, and other relevant information.

S1-4 Taking action on material impacts

The Group has integrated actions aimed at managing and reducing material negative impacts into its regular operational and management processes and finances them from the general operating budget. The implementation of these actions does not require separate material capital or operating expenditures and is not associated with external financing. The Group uses internal human and organisational resources to implement these actions. Consequently, no specific amounts of financial resources allocated to these actions are separately identified or disclosed

The Group implemented targeted measures in 2025, based on identified material impacts and risks in the area of occupational health and safety, focusing on employees working under higher-risk conditions, particularly at infrastructure sites and in outdoor environments. The following outlines the key measures implemented in 2025 addressing the identified adverse impacts and risks.

Area	Actions implemented in 2025
Management of impacts on employee health and safety arising from specific working conditions, particularly for those working at sites and in outdoor environments.	• The Group conducted occupational risk assessments at new workplaces. Risk assessments are performed in the occupational health and safety information system DARSIS, where, taking into account the nature and level of the identified risk, individual risk mitigation measures are assigned to each employee, including mandatory health checks, briefings, training, and personal protective equipment. • The Group organised the Safety at Work Month, during which thematic training and communication campaigns were carried out on safe driving, behaviour when encountering wildlife, safety culture and leadership, the creation of a safe workplace, and employees' psychological well-being and burnout prevention. • Our employees regularly participate in mandatory specialised professional and technical training and practical exercises aimed at managing real emergency and hazardous situations. • We ensured that employees working in outdoor conditions were vaccinated against influenza and tick-borne encephalitis.
Management of risks arising from non-compliance with occupational health and safety requirements.	• Workplace inspections were carried out, non-compliances with occupational health and safety requirements were identified, and corrective actions were planned and implemented. • A zero-tolerance policy on intoxication is applied, and employee sobriety checks are carried out on a continuous basis.

We apply the occupational health and safety measures implemented in 2025 on an ongoing basis and will continue them in the coming years as an integral part of the Group's prevention and risk management system. The objective of these actions is to reduce the risk of accidents in the long term, strengthen the safety culture, and ensure safe working conditions for all employees, particularly those working in higher-risk environments.

S1-5 Targets related to managing material impacts

The Group's long-term strategy establishes a direction to create a safe and positive working environment and to strengthen the safety culture. We consider serious and fatal accidents to be material negative impacts, and therefore we aim to eliminate them entirely in the activities of both our employees and contractors. The table below presents the established employee safety and health target, its intended value, and the progress achieved.

Target	Target value	Progress towards targets	
		2025	2024
Number of serious or fatal accidents (employees and contractors)	Zero serious or fatal accidents	One serious accident involving a contractor's employee. Corrective measures applied: an accident investigation was carried out, and preventive measures were identified and are being implemented to improve internal processes and strengthen the control of contractors' employees at workplaces. The findings of the investigation were communicated to the Group's employees and contractors.	One serious accident involving an employee of the Group company Tetas.
Status		**The target was not achieved**	**The target was not achieved**

S1-14 Health and safety metrics

Calculation methodology.

The Total Recordable Injury Rate (TRIR) is the number of accidents resulting in temporary loss of work capacity per one million hours worked. The total annual number of hours worked by employees is recorded in the Group's internal human resources management systems.

Accidents are recorded in the Group's occupational health and safety system DARSIS.

Health and safety metrics:

	2025	2024	2023
Company employees			
Percentage of employees covered by the occupational health and safety management system (ISO 45001)	90%	91%	91%
Number of deaths resulting from work-related injuries and work-related ill health	0	0	0
Number of recordable work-related accidents	5	4	4
The total number of hours worked by all employees	2 560 040.1	2 529 242.9	2 459 368.0
Total Recordable Incident Rate (TRIR)	1.95	1.58	1.63
Number of cases of recordable work-related ill health	2	1	0
Number of working days lost due to work-related injuries and fatalities from occupational accidents, work-related ill health and fatalities from occupational diseases	195	126	51
Non-employees classified as own workforce			
Number of fatalities due to work-related injuries and work-related ill-health among non-employees working at the company's sites	0	0	0

8.4.1.3. Employee privacy

The Group's DMA identified potential negative impacts on our employees. We have identified this sub-topic and impact as material and consolidated at the Group level. More details on the DMA process, methodology and results are provided in the section *Group's Double Materiality Assessment* of this Sustainability Report.

Impacts

⊖ **Potential negative impacts** due to improper processing of personal data, improper processing of personal data by third parties, and personal data security breaches that may adversely affect employees' rights as data subjects.

S1-1 Policies related to employee privacy

The Group has established key operating principles to ensure employees' privacy and data protection. These principles are enshrined in the Group's personal data protection policy. Further information on the implementation of this policy is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

The personal data protection policy commits the Group to processing employees' data in accordance with the principles of lawfulness, transparency, data minimisation and security, and to applying organisational and technical measures that ensure their confidentiality and protection in line with the requirements of the EU General Data Protection Regulation. The Group also ensures that data are processed only for clearly defined purposes, retained for a limited period, and that each data subject can exercise their rights.

S1-2 Processes for engaging about impacts and S1-3 Processes and channels for remediation of negative impacts

The processes and channels for employee involvement and remediation are described in section 8.3.1.1. *Employee well-being and working conditions.* In the area of employees' privacy, the Group ensures that employees are familiarised with the legal acts governing personal data protection and their practical application. Where necessary, we provide consultations, prepare guidance notes and presentations on the most relevant data protection topics, and involve employees in the planning and implementation of preventive and improvement measures.

S1-4 Taking action on material impacts

Below, we present the actions implemented in 2025 to prevent potential negative impacts on employees' privacy and to strengthen personal data protection across the Group.

Area	Actions implemented in 2025
Data protection	• The Group prepared and implemented mandatory personal data protection e-learning for all employees of the Group's companies, which employees are required to complete on a periodic basis. • A compliance audit in the area of personal data protection was conducted. No material non-compliances were identified; however, areas for improvement were identified and measures for their implementation were planned. We plan to continue conducting personal data protection audits in 2026.

S1-5 Targets related to managing material impacts

The Group's long-term business strategy does not include quantitatively measurable or time-bound targets related to the protection of employees' privacy. However, we continuously monitor the effectiveness of our governance in this area: we record and analyse personal data protection incidents, conduct periodic compliance audits and, where necessary, implement corrective and preventive actions.

S3 Affected communities

The Group's DMA identified an actual negative impact on the economic and social rights of communities due to noise, dust, traffic restrictions and other disturbances caused by the Group's activities. We have identified this sub-topic and impact as material and consolidated at the Group level. More details on the DMA process, methodology and results are provided in the section *Group's Double Materiality Assessment*.

Impacts
⊗ The **actual negative** impact on communities arises from the nature of the Group's activities and the specific characteristics of the energy sector (noise, dust, traffic restrictions and other disturbances).

S3-1 Policies related to affected communities

The Group has established key operating principles aimed at reducing impacts on communities. These principles are enshrined in the Group's environmental, sustainability, support and humanitarian aid policies and in the Partner Code of Ethics. Further information on the implementation of these policies is provided in the section "MDR-P Policies adopted to manage material sustainability matters".

The **environmental policy** commits the Group to reducing the impact of its activities on communities, enabling their involvement in project planning at early stages, cooperating on environmental matters, and ensuring transparent communication on progress in environmental protection.

The **sustainability policy** defines that, when planning and implementing sustainable development actions, the Group seeks comprehensive stakeholder engagement and promotes transparent and fair cooperation and dialogue with communities.

The **support and humanitarian aid policy** establishes the Group's commitment to cooperating with communities in whose areas it operates and implements projects and programmes. Particular attention is paid to initiatives that contribute to improving the well-being of those communities. The requirements for providing support are defined in the Rules for the Provision of Support and Humanitarian Aid.

We also apply the requirements to our partners. Our **Partner Code of Ethics** stipulates that activities in the vicinity of communities must be carried out with the least possible negative impact on community infrastructure and property. Where such impacts occur, proportionate remediation or compensation measures must be applied. This approach is intended to safeguard the interests of local communities and their living, social and economic environment.

S3-2 Processes for engaging with affected communities about impacts

The Group informs communities in advance about infrastructure projects planned and implemented by the Group's companies in their vicinity. During project implementation, we coordinate the timing of works with residents, seek to minimise and remedy any inconvenience caused by the activities, and respond to residents' questions. For further information on ways of engagement please refer to section SBM-2 *Stakeholder interests and views.*

We implement large-scale infrastructure projects and therefore maintain ongoing engagement with communities. Relations with communities are coordinated by designated employees of the Group's companies, while the primary community engagement function is currently carried out by the Group's communication representatives and the managers of planned and ongoing projects.

The managers of the Group's companies are responsible for involving representatives of affected communities and other stakeholders in the management of actual negative impacts and the implementation of solutions. The effectiveness of the engagement of affected communities is not measured separately.

S3-3 Processes and channels to remediate negative impacts

The Group takes into account the interests and opinions of community members in its operations and prioritises open communication and cooperation. The Group seeks to ensure proactive and continuous dialogue, timely responses to enquiries, and the provision of high-quality information both when planning activities that may affect communities and when implementing them. We enable communities to raise concerns through various accessible channels (see the table below). Received reports are registered and examined in accordance with the established procedure, ensuring confidentiality and protection against adverse consequences. Where necessary, corrective measures are implemented (e.g. additional noise reduction measures, changes in work organisation) and their effectiveness is assessed. The Group provides the channels below for communities to contact the Group and raise concerns.

Processes and channels	Description
Trust line	The Group has established Trust lines where communities can report concerns (e.g. corrupt practices, non-compliance, environmental violations, etc.). The confidentiality and safety of whistleblowers are ensured. All received reports are registered and examined. Responses are provided to whistleblowers, and protection against adverse consequences is ensured. For more details, see the section *G1-1 Corporate culture and business conduct policies.*
Meetings with communities	The Group organises meetings with communities and local government representatives to present planned energy projects, potential adverse impacts, and the measures for their management. Communities are enabled to engage in the early stages of project implementation, to ask questions, and to submit comments and suggestions on the mitigation of adverse impacts. Responses to questions relevant to communities are provided during meetings. Meetings are scheduled at times convenient for the communities.
Informing through local or national media	Taking into account the number of affected persons or households and the scale of the impact, information on planned projects and activities is provided through local and (or) national media and community social media groups in order to ensure the accessibility and dissemination of information.
Direct contact with project managers	During the implementation of energy projects, community representatives are enabled to communicate directly with project managers of the Group's companies by email or telephone, to report issues, and to express concerns regarding ongoing activities and their potential impacts. Such direct dialogue allows for the prompt resolution of issues important to communities.

S3-4 Taking action on material impacts

Within the Group, actions to manage and mitigate significant adverse impacts are integrated into our normal operational and management processes and are financed from our overall operating budget. Implementation of these actions does not require any significant investment or operational expenses and does not involve external funding. We use internal human and organisational resources to implement our actions. Consequently, no specific amounts of financial resources allocated to these actions are separately identified or disclosed.

We recognise the importance of the topic of affected communities to the Group and its stakeholders and the actual adverse impacts of the Group's activities on communities. We plan to review the governance practices and policies applied to this topic in the future. The management of adverse impacts on communities will also be strengthened, and a Group-wide action plan will be developed.

Information on the measures implemented in 2025 to mitigate negative impacts is provided below.

Area	Actions implemented in 2025
Noise management	The Group company Litgrid completed the implementation of the noise mitigation plan at the Alytus transformer substation by installing a noise barrier. Following synchronisation with the Continental European electricity networks in February 2025, the high-voltage direct current converter station equipment was disconnected. This equipment had been one of the main noise sources. Since 2023, Litgrid has ensured that the night-time noise level at newly constructed or reconstructed facilities does not exceed 42 dB, although the applicable legal limit is higher at 45 dB.
Electromagnetic field (EMF) management	Since 2023, the electromagnetic field strength in the protection zones of reconstructed 330 kV overhead electricity transmission lines of Litgrid has been limited to 5 kV/m. The electromagnetic field strength after reconstruction is also ensured not to exceed the level measured before reconstruction, although legislation does not establish such an additional limit for overhead line protection zones.

S3-5 Targets related to managing material impacts

The Group's long-term business strategy establishes a direction to create a positive impact on communities. We have not currently set quantified or time-bound targets at Group level. Taking into account the importance of this topic, we plan to review the governance practices for communities and to establish common Group targets in the future.

Currently, actual negative impacts on communities are managed through the policies applied, actions implemented, and continuous monitoring. The scale and nature of energy projects and their potential impacts on local communities are taken into account.

At present:

- We engage with communities in line with good practice by organising informational meetings, providing information in writing and through the media, and maintaining dialogue with community representatives, elderships, and municipalities.
- We assess potential impacts on communities during the planning of projects and apply preventive and mitigation measures.
- We monitor trends in community-related issues through complaints, enquiries, and dialogue channels and assess the effectiveness of the measures applied.

In 2026, the Group's companies plan to implement individual actions to strengthen cooperation with communities. Litgrid, for example, plans to further develop dialogue with communities to not only reduce the impacts of its activities on vulnerable groups but also to create greater social value. The company will carry out a comprehensive stakeholder analysis, identify priority communities, and develop a community engagement action plan. Based on the results of these activities and their alignment with the needs and expectations of communities, a long-term plan for community engagement initiatives will be developed.

S4 Consumers and end users

Following the Group's DMA, a potential negative impact on consumers and end users was identified due to inadequate or missing information and potential disruptions to service continuity. These impacts were identified as material at consolidated Group level. More details on the DMA process, methodology and results are provided in the section *Group's Double Materiality Assessment*.

Impacts
⊖ **Potential negative impacts** on consumers and end users arise from missing or inadequate information.
⊖ **Potential negative impacts** on access to services may arise through the value chain due to potential disruptions to service continuity.

S4-1 Policies related to consumers and end-users

We have established key operating principles that guide our activities and our engagement with stakeholders. Further information on the implementation of these policies and their principles is provided in the section *MDR-P Policies adopted to manage material sustainability matters.*

The **Code of Ethics** sets out the key principles and standards of conduct that guide our activities and our engagement with stakeholders. Principles that ensure the protection of the rights and interests of end users are applied: we respect human rights, ensure transparency, provide information responsibly, ensure non-discrimination, and protect personal data.

To standardise engagement with market participants across the Group and in line with good practice, we plan to develop common customer service guidelines in the future. We recognise the importance of managing the topic of consumers and end users and the potential negative impacts caused by the Group in this area and will seek to review the governance and policies related to this topic in the future.

S4-2 Processes for engaging with consumers and end users about impacts

We operate on a Business-to-Business (B2B) model; therefore, the interests and expectations of energy end users are incorporated into decision-making through direct market participants, including electricity and gas producers, distribution system operators, large energy consumers, and other energy sector entities. Based on the insights, needs, and feedback of these stakeholders, we assess the potential impacts of our activities on end users and identify areas for improvement.

Annual Group-level surveys of market participants (customers) are conducted to assess service quality, the effectiveness of cooperation and communication, and other aspects related to service provision. Survey results are used to improve operational and management processes and enhance engagement with market participants, thereby indirectly reducing potential negative impacts on end users.

We engage stakeholders in accordance with established governance principles and apply various engagement methods, including consultations, dialogue, meetings, surveys, and feedback collection. These processes help ensure that the views of market participants - and, through them, end users - are heard and considered in decision-making. The managers of the Group's companies are responsible for the involvement of consumers and energy end users in the management of potential negative impacts and the implementation of related decisions.

S4-3 Processes and channels to remediate negative impacts

We ensure that consumers and end users have accessible, transparent, and effective channels to submit complaints, claims, report potential negative impacts, or provide feedback on our activities. These channels enable timely identification of issues, assessment of their causes, and, when necessary, the implementation of corrective measures. The main channels for stakeholders to engage are provided below.

Processes and channels	Description
Email	We provide stakeholders with the opportunity to submit enquiries, complaints, or feedback via the general email addresses of Group companies. We have also provided dedicated contacts for specific issues, such as infrastructure, data protection, incidents, or land use.
Telephone contact	We provide customer and stakeholder support through telephone lines, enabling prompt reporting of issues or access to the necessary information.
Written and oral appeals	Official complaints, claims, and requests are accepted in writing or verbally, submitted in person at the offices of Group companies.
Direct contacts	The websites of Group companies publish the contacts of responsible departments and employees so that stakeholders can directly address specific technical, regional, or operational impact issues.
Anonymous whistleblowing channels	The Group ensures the operation of anonymous whistleblowing channels through which issues related to the provision of information or services can be reported anonymously. All reports are logged and investigated in accordance with established procedures and, where necessary, corrective and preventive measures are taken. For more information on whistleblowing channels, see section *G1-1 Corporate culture and business conduct policies.*

All received complaints, reports, or feedback are registered and examined in accordance with established internal procedures. Information is forwarded to the responsible departments, which assess potential negative impacts and, where necessary, apply corrective or preventive measures. We aim to ensure timely responses to applicants, the confidentiality of whistleblowers and protection against adverse consequences, as well as transparent communication with consumers and energy end users.

S4-4 Taking action on material impacts

We have not currently defined specific actions to manage material negative impacts on consumers and energy end users. We recognise the importance of this topic and plan to review the governance practices and policies related to it, as well as to establish corresponding actions in the future. At present, potential impacts are managed through general operational, risk management, service quality assurance, and stakeholder engagement processes.

S4-5 Targets related to managing material impacts

We have not currently defined specific actions to manage material negative impacts on consumers and energy end users. We recognise the importance of this topic and plan to review the governance practices and policies related to it, as well as to establish corresponding targets in the future.

8.5. Governance information

The Group's DMA identified the following material governance subtopics: potential negative impact on business ethics due to non-compliance with established principles; potential negative impact on whistleblower protection due to an ineffective protection system; public procurement and related stakeholders; and potential negative impact on stakeholders related to anti-corruption actions. The Group identified a material opportunity related to cooperation with stakeholders on the proper implementation of the whistleblower protection system. These impacts and opportunities are material at the consolidated Group level. More details on the DRM process, methodology and results are provided in the section *Group's Double Materiality Assessment*.

Impacts
⊖ **Potential negative impact** may arise from non-compliance with the Group's policies or the principles embedded therein, including provisions on transparency, accountability, diversity, inclusion, and ethical conduct.
⊖ **Potential negative impact** on stakeholders' rights may arise if the whistleblower protection system does not operate effectively. This includes breaches of confidentiality, possible overt or indirect discrimination, retaliation or other negative treatment of whistleblowers.
⊖ **Potential negative impact** on stakeholders' rights in public procurement.
⊖ **Potential negative impact** on the stakeholders' rights may result from corrupt or unethical practices.
⊕ **Opportunities**
Opportunity for stakeholders to raise concerns, enabling responsiveness to their needs and strengthening the Group's reputation.

The Group has integrated actions aimed at managing and reducing material negative impacts into its regular operational and management processes and finances them from the general operating budget. The implementation of these actions does not require separate material capital or operating expenditures and is not associated with external financing. The Group uses internal human and organisational resources to implement these actions. Consequently, no specific amounts of financial resources allocated to these actions are separately identified or disclosed.

G1 Business ethics

G1-1 Corporate culture and business conduct policies

The Group applies the principles of proportionality, transparency, protection of shareholders' rights, stakeholder engagement, and good corporate governance consistently across its operations. The Group's governance system is designed to comply with the principles of corporate governance, the requirements of corporate governance legislation and international best practice.

Our governance is based on the Group's values and Code of Ethics, which sets out basic standards and principles of conduct. We consistently emphasize the importance of these principles to employees through training, internal meetings, and daily operations, with the aim of fostering an ethical, transparent, and responsible organizational culture.

The Group fosters an environment resilient to corruption, where every employee plays an important role. Therefore, all employees – regardless of their position or functions – are trained in anti-corruption conduct principles. We do not distinguish between different functions and consider that the risk of corruption and bribery can occur at any level and function.

The foundation of the Group's governance is the ethical principles set out in the Group's Code of Ethics, which we consistently apply in our day-to-day operations and decision-making:

- Respect for human rights
- Sharing of information and experience
- Ensuring diversity, inclusion, and equal opportunities
- Care for employee health, safety, and well-being
- Commitment to climate action, environmental protection, and societal well-being
- Cooperation with communities, supervisory authorities, and organizations
- Compliance with legal requirements
- Avoidance of conflicts of interest
- Protection of personal data and information
- Zero tolerance for corruption
- Adherence to a zero-gift rule

Whistleblowing channel and whistleblower protection

The Group promotes a whistleblowing culture and has set up an internal whistleblowing channel – the Trust line. It is available to employees and other stakeholders (partners, clients, etc.) to report potential environmental violations, non-compliance, corruption-related activities, cases of discrimination, misuse of artificial intelligence tools, and other breaches.

Given the sensitivity of reports, we enable information to be submitted both anonymously and with identity disclosure. The operation of the Trust line is governed by the Group's internal regulations. These regulations set out timelines for handling reports, responsible persons, procedures for informing whistleblowers, and ensure the objective and independent assessment of received reports.

We provide individuals with the opportunity to express their concerns through various existing Trust line channels: by email, by completing a form, in writing, or by phone.

We apply a zero-tolerance principle for retaliation to ensure the protection of whistleblowers. We ensure that whistleblowers, regardless of whether they are the Group's employees or other stakeholders, are not subject to any adverse effects. This includes, but is not limited to, temporary suspension, termination of employment, discrimination, harassment, limitation of career opportunities, early termination of contracts for the supply of goods and (or) services, and similar measures. We always treat data related to the whistleblower and the information provided as confidential and process it in accordance with applicable data protection requirements.

All information regarding the Group's Trust line and its operations can be found on the websites of the Group companies. We train employees on how to report potential violations and inform them about the reporting channels, handling procedures, and applicable timelines. The whistleblowing channels are presented as a separate topic in the general anti-corruption training, including the persons responsible for handling reports and the full report handling process.

G1-2 Management of relationships with partners

Procurement Policy and the Partners' Code of Ethics

The Group's Procurement Policy and the Partners' Code of Ethics (PCE) set out the minimum standards of conduct expected from all partners. Thus, we promote lawful, professional, responsible, and fair business practices covering environmental protection, human rights, labour standards, and business ethics principles. Partners are encouraged to integrate sustainability principles into their activities in the above areas. By participating in the Group's procurement, partners acknowledge their awareness of the PCE and commit to complying with it.

Since 2024, the Group (except Tetas) has implemented a partner due diligence process. Before concluding a contract, partners voluntarily complete a due diligence questionnaire in the Group's screening system and provide information on the policies and standards applied in their operations. The collected information is used to identify risks and areas for improvement in partners' operations and to strengthen the development of a sustainable supply chain.

The PCE was last updated in 2025 by expanding its scope to include partners engaged under cooperation agreements or other arrangements, as well as subcontractors. The PCE was also supplemented with new and (or) expanded provisions on:

- principles for the ethical use of artificial intelligence
- recommendations on the implementation of anti-corruption management systems
- enhanced requirements for high labour standards and expanded ethical and social expectations for partners
- promotion of the circular economy and the application of life-cycle costing in operations

In 2025, questionnaires were sent to approximately 80% of our partners, of which about 63% voluntarily responded and provided data on their operations. From Q2 2026 onwards, the questionnaire will become a mandatory part of the partner due diligence process.

The Group company Tetas does not have the status of a contracting authority; however, it follows the Group's Procurement Policy and performs partner screening with regard to applicable international sanctions. In 2025, Tetas approved the PCE and contractually obliged its partners to comply with it. From 2026, the company plans to implement a partner due diligence process.

Contract enforcement

The Group applies a harmonised contract execution and control process, enabling effective contract implementation, consistent decision-making, and centralised management of the contract portfolio. This process enables the identification of critical contracts, potential risks and the timely application of measures to manage them. Contracts with partners stipulate that:

- Partners comply with the PCE requirements in the performance of their obligations;
- Contracts include enforcement mechanisms such as fines, penalties, and bank guarantees;
- Environmental, social and governance requirements are met.

The Group applies a contract performance monitoring process that enables the assessment of partners' capacity to fulfil contractual obligations, including vulnerable partners. We follow the payment obligations set out in contracts and the Law of the Republic of Lithuania on the Prevention of Late Payment in Commercial Transactions in order to ensure proper and timely payments. The most substantial purchases are made by employees certified as Procurement Officers, thereby managing compliance risk.

International and national sanctions

The Group systematically implements international sanctions requirements. In all ongoing procurements, we screen the partners with whom we plan to conclude contracts for the applicability of sanctions. If a partner is found to be subject to international sanctions, we do not enter into contracts, and if such a fact becomes apparent during contract performance, we take steps to terminate the contracts.

In line with the national security policy direction, the Group refrains from awarding or executing procurement contracts with suppliers linked to hostile states or territories:

- Group companies of national security importance or Group companies operating critical infrastructure or information systems have additional requirements for the purchase of hardware, software, maintenance or support services;
- The Group companies aim to reduce dependence on manufacturers and suppliers that do not meet European and transatlantic integration criteria, i.e. those not established or registered in the EU, NATO, the European Economic Area and (or) the Organisation for Economic Co-operation and Development member states.

Contractual obligations of partners set out in the PCE

- Zero tolerance of bribery, graft, influence peddling, money laundering, abuse of office and (or) other forms of corruption.
- Avoid engaging in any illegal agreements or arrangements that hinder fair competition, including entering into cartels with competitors, such as sharing or allocating markets or customers, or colluding on prices.
- Reducing dependence on product manufacturers and suppliers which do not meet the criteria for European and transatlantic integration, i.e. are not established or registered in the Member States of the European Union, the North Atlantic Treaty Organisation, the European Economic Area and (or) the Organisation for Economic Co-operation and Development.
- Maintaining transparent, harmonious and cooperative business relationships in line with the PCE and the Anti-Corruption Policy.

PCE implementation measures

- Publicly available PCE
- Partners' confirmations of awareness and compliance
- Completion of questionnaires
- Screening information system
- Data analysis and recommendations
- Events for partners

Sustainable supply chain

The Group aims to manage risks and reduce negative impacts on value and supply chain participants; therefore, the long-term business strategy approved in 2025 sets the direction of ensuring a sustainable supply chain. This direction includes the implementation of sustainable and responsible business practices and active cooperation with operational partners to achieve common sustainability objectives. We are committed to transitioning to circular procurement by 2035, i.e. integrating circularity principles into the procurement process, under which the life-cycle costs of the goods, services, and works procured will be assessed and other established circularity criteria (e.g. recyclability, etc.) will be applied. We will also seek to encourage partners to set and implement GHG reduction targets in accordance with a methodology to be developed in the near term (2026–2027) in cooperation with experts and partners.

The majority of the Group's procurements (except Tetas and EPSO-G Invest) are conducted in accordance with the requirements of the Law on Public Procurement of the Republic of Lithuania and the Law on Procurement by Contracting Entities in the Water Management, Energy, Transport or Postal Services Sectors. Therefore, only partners that meet the environmental and/or social requirements set by law can participate in procurement. All public procurements include at least one green criterion; therefore, 100% of public procurements are classified as green. Since 2024, the Group has also applied social criteria; in 2025, such procurements accounted for more than 10%, and the same target is set for 2026.

Group companies organise internal employee training on social and environmental performance topics to improve their skills and knowledge in the area of sustainability-driven procurement and the related procurement processes.

> **In 2025, we received a letter of appreciation from the Public Procurement Office for promoting socially responsible procurement within the EPSO-G group of companies. In the same year, the Group company Energy Cells was recognised for applying an environmental quality criterion in electricity procurement by assessing not only price but also the CO_2**

More than 80% of the Group's contracts have been concluded with local partners operating in Lithuania. This contributes to shorter supply chains and to reducing logistics costs and transport-related emissions.

Target	Target value	Progress towards targets	Status
Reduce GHG emissions in the supply chain	Include at least 50% of suppliers in GHG reduction requirements by 2035	The application of criteria is planned to start in 2027	**Implementation of the target has not yet started**
Transition to circular procurement: integrate circularity principles and criteria into procurement	Implement circular procurement from 2035	The application of criteria is planned to start in 2027	**Implementation of the target has not yet started**
Increase the number of the Group's green procurements	100% of the Group's procurements must comply with green procurement requirements	In 2025, all Group procurements were conducted applying green criteria.	**The target has been achieved**
Increase the number of the Group's procurements applying social criteria	Social criteria must be applied to more than 7% of the Group's procurements	In 2025, social criteria were applied in more than 10% of procurements	**The target has been achieved**

G1-3 Prevention and detection of corruption and bribery

The Group is committed to operating transparently, openly, and lawfully; therefore, we apply a zero-tolerance approach to corruption in our activities – we do not tolerate corruption or any related practices. We continuously assess potential corruption risks and implement measures to manage those risks when they are identified.

Our anti-corruption activities are carried out in accordance with legal requirements and good practice and by implementing the principles of an anti-corruption management system under the international standard *ISO 37001:2016 Anti-bribery management systems – Requirements with guidance for use*, under which EPSO-G, Amber Grid, and Litgrid have certified anti-corruption management systems.

The Anti-Corruption Policy is the main document governing the Group's anti-corruption activities, establishing the principles of anti-corruption and defining the rights and responsibilities of persons involved in anti-corruption activities. This policy has been developed in accordance with the above-mentioned international standard ISO 37001:2016, the United Nations Convention against Corruption, the legal acts of the Republic of Lithuania regulating anti-corruption activities, and good practice. We introduce this policy to stakeholders by publishing it on our website, and in contracts concluded with partners we have established an obligation to familiarise themselves with and comply with it. For more information on the Group's anti-corruption activities, please refer to the section 5.5 *Compliance, Anti-Corruption Activities and Conflict of Interest Management* of the Management Report.

All our employees (100%) receive mandatory training on corruption prevention and anti-corruption conduct using the measures approved within the Group. Our general corruption prevention training includes the analysis of practical situations and examples that help identify corruption risks and conduct that may raise concerns regarding transparency.

The Group has approved internal documents governing the conduct of internal investigations, appointed persons responsible for investigations, and ensured their independence and impartiality. Investigation results and aggregated statistics are periodically reported to management and collegial bodies.

Methodology for calculating the number of corruption and bribery incidents

Data on potential cases of corruption or bribery are collected and recorded in the Group's compliance management system. This system includes reports received through the Trust line, information from internal investigations, and information obtained from external institutions (e.g. law enforcement or supervisory authorities) conducting investigations. All received reports are examined in accordance with the procedures set out in the Group's internal regulations.

Only cases that are substantiated and confirmed upon completion of the investigation are included in the reported metrics. Reports in which corruption or bribery is not confirmed during the investigation are not included in the statistical data.

G1-4 Confirmed incidents of corruption or bribery

	2025	2024	2023
Identified incidents of corruption	0	0	0
Disciplinary measures imposed and employees dismissed due to identified corruption incidents	0	0	0
Legal cases brought against Group companies or employees related to corruption	0	0	0
Identified corruption incidents resulting in contracts with business partners not being concluded or not being renewed	0	0	0

G1-5 Lobbying activities

We do not engage in lobbying activities.

G1-6 Payment practices

The Group complies with the payment terms set out in contracts with business partners and apply the principle of non-discrimination; therefore, small and medium-sized enterprises are subject to the same payment conditions as large companies.

We apply the following standard payment terms, calculated from the date of receipt of the invoice:

- 30 calendar days payment term – 37.5% of invoices were paid under this term in 2025 (2024: 47.2%);
- 60 calendar days payment term – 34.9% of invoices were paid under this term in 2025 (2024: 30.9%).

The remaining invoices were paid in less than 30 calendar days (19.6% in 2025; 16.2% in 2024) or more than 60 calendar days (8.0% in 2025; 5.66% in 2024).

The average invoice payment time in 2025 was 36.6 calendar days (2024: 41.8 calendar days). This metric is calculated based on payments actually made during the reporting year, including invoices from previous periods paid during the reporting period, and excluding payments made under petty cash vouchers.

Group has no legal disputes regarding late payments.

8.6. Annexes

BP-2 16. Information incorporated by reference

ESRS disclosure	Reference to:
Share of independent members of the Board (GOV-1, 21(e) and (d)	Management Report section "5.2.2. EPSO-G Board and Committees". "Information on the composition of the company's collegial bodies by gender (GOV-1 21 e) and d))"
Activities in the fossil fuel sector SMB-1 40 d(i)	Financial statements, Note 31
Risk management in sustainability reporting (GOV-5, 2.36(b))	Management Report section "5.4. Risk Management Framework"

ESRS IRO-2 Index of disclosure requirements complied with in preparing the report

ESRS 2 General Disclosures		
Disclosure requirements		Page
1. Basis for preparation		
BP-1	General basis for preparation of sustainability statements	101
BP-2	Disclosures in relation to specific circumstances	101
2. Governance		
GOV-1	The role of the administrative, management and supervisory bodies	102
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	103
GOV-3	Integration of sustainability-related performance in incentive schemes	104
GOV-4	Statement on due diligence	104
GOV-5	Risk management and internal controls over sustainability reporting	104
3. Strategy		
SBM-1	Strategy, business model and value chain	104
SBM-2	Interests and views of stakeholders	108
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	117
4. Impact, risk and opportunity management		
4.1 Disclosures on the materiality assessment process		
IRO-1	Description of the process to identify and assess material impacts, risks and pportunities"	114
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	122
4.2 Minimum disclosure requirement on policies and actions		
Policies MDR-P	Policies adopted to manage material sustainability matters	122
Actions MDR-A	Actions and resources in relation to material sustainability matters	122
5. Metrics and targets		

Metrics MDR-M	Metrics in relation to material sustainability matters	122
Targets MDR-T	Tracking effectiveness of policies and actions through targets	122
Environmental topics		
ESRS E1 Climate Change		
Governance		
E1 ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	104
Strategy		
E1-1	Transition plan for climate change mitigation	145
E1 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	114
Impact, risk and opportunity management		
E1 ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	114
E1-2	Policies related to climate change mitigation and adaptation	149
E1-3	Actions and resources in relation to climate change policies	150
Metrics and targets		
E1-4	Targets related to climate change mitigation and adaptation	150
E1-5	Energy consumption and mix	151
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	153
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	156
E1-8	Internal carbon pricing	157
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	157
ESRS E2 Pollution		
Impact, risk and opportunity management		
E2 ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	114
E2-1	Policies related to pollution	157
E2-2	Actions and resources related to pollution	157
Metrics and targets		
E2-3	Targets related to pollution	157
E2-4	Pollution of air, water and soil	158
E2-5	Substances of concern and substances of very high concern	Not material
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	158
ESRS E4 Biodiversity and ecosystems		
Strategy		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	159
E4 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	114
Impact, risk and opportunity management		
E4 ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	114
E4-2	Policies related to biodiversity and ecosystems	159
E4-3	Actions and resources related to biodiversity and ecosystems	159
Metrics and targets		
E4-4	Targets related to biodiversity and ecosystems	160
E4-5	Impact metrics related to biodiversity and ecosystems change	161

E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	161
ESRS E5 Resource use and circular economy		
Impact, risk and opportunity management		
E5 ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	114
E5-1	Policies related to resource use and the circular economy	162
E5-2	Actions and resources related to resource use and circular economy	162
Metrics and targets		
E5-3	Targets related to resource use and circular economy	163
E5-4	Resource inflows	163
E5-5	Resource outflows	165
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	166
Social topics		
ESRS S1 Own workforce		
Strategy		
S1 ESRS 2 SBM-2	Interests and views of stakeholders	108
S1 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	114
Impact, risk and opportunity management		
S1-1	Policies related to own workforce	167
S1-2	Processes for engaging with own workers and workers' representatives about impacts	168
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	168
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	169
Metrics and targets		
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	170
S1-6	Characteristics of the undertaking's employees	171
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	172
S1-8	Collective bargaining coverage and social dialogue	172
S1-9	Diversity metrics	172
S1-10	Adequate wages	173
S1-11	Social protection	173
S1-12	Persons with disabilities	173
S1-13	Training and skills development metrics	173
S1-14	Health and safety metrics	177
S1-15	Work-life balance metrics	174
S1-16	Compensation metrics (pay gap and total compensation)	174
S1-17	Incidents, complaints and severe human rights impacts	174
ESRS S3 Affected communities		
Strategy		
S3 ESRS 2 SBM-2	Interests and views of stakeholders	108

S3 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	114
Impact, risk and opportunity management		
S3-1	Policies related to affected communities	178
S3-2	Processes for engaging with affected communities about impacts	178
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	179
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	179
Metrics and targets		
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	180
ESRS S4 Consumers and end-users		
Strategy		
S4 ESRS 2 SBM-2	Interests and views of stakeholders	108
S4 ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	114
Impact, risk and opportunity management		
S4-1	Policies related to consumers and end-users	181
S4-2	Processes for engaging with consumers and end-users about impacts	181
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	181
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	182
Metrics and targets		
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	182
Governance topics		
ESRS G1 Business Conduct		
Governance		
G1 ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	102
Impact, risk and opportunity management		
G1 ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and pportunities"	114
G1-1	Business conduct policies and corporate culture	182
G1-2	Management of relationships with suppliers	183
G1-3	Prevention and detection of corruption and bribery	186
Metrics and targets		
G1-4	Confirmed incidents of corruption or bribery	186
G1-5	Political influence and lobbying activities	186
G1-6	Payment practices	186

List of data points from horizontal and topical standards required under other EU legislation

Disclosure requirement and related data point	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816[5] , Annex II		102
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		102
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				104
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453[6] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		104
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818[7] , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
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		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	145
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	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		145

		exposures by sector, emissions and residual maturity		
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	150
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1			151
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1			151
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			151
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)	153
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)	153

ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	156
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		Phased-in disclosure requirement.
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.			Phased-in disclosure requirement.
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			Phased-in disclosure requirement
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Phased-in disclosure requirement
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				158
ESRS E3-1	Indicator number 7				Not material

Water and marine resources paragraph 9	Table #2 of Annex 1	
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 m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1	Not material
ESRS 2 SBM-3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1	159
ESRS 2 SBM-3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1	159
ESRS 2 SBM-3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1	159
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1	Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1	Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1	159
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1	165
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1	165
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I	167
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I	167

ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I		167
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	167
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I		167
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I		167
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I		168
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	177
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I		177
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	174
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I		174
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I		174
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)	174
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 number 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		178
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 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	178
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1		179
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 I		181
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)	181
ESRS S4-4	Indicator number 14		182

Human rights issues and incidents paragraph 35	Table #3 of Annex 1		
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1		182
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1		182
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)	186
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1		186

ESRS 2 GOV-4 Statement on sustainability due diligence

Main elements of due diligence	Sections of the Sustainability Report	Information related to people and/or the environment
a) Integration of due diligence into governance, strategy and the business model	ESRS 2 GOV-1, p. 102 ESRS 2 GOV-2, p. 103 ESRS 2 GOV-3, p. 104 ESRS 2 SBM-3, p. 117	People and the environment
	ESRS 2 SBM-3-E1, p. 146	Environment
	ESRS 2 SBM-3-E2, p. 158	
	ESRS 2 SBM-3-E3, p. 160	
	ESRS 2 SBM-3-E5, p. 163	
	ESRS 2 SBM-3-S1, p. 168	People
	ESRS 2 SBM-3-S3, p. 178	
	ESRS 2 SBM-3-S4, p. 181	
	ESRS 2 SBM-3-G1, p. 183	People and the environment
b) Engagement of affected stakeholders across all key stages of due diligence	ESRS 2 GOV-2, p. 103 ESRS 2 SBM-2, p. 108 ESRS 2 IRO-1, p. 114	People and the environment
	S1-2, p. 168 S3-2, p. 178 S4-2, p. 181	People
c) Identification and assessment of negative impacts	ESRS 2 IRO-1, p. 114 ESRS 2 SBM-3, p. 117	People and the environment
	E1-1, p. 145 E2-2 and E2-3, p. 157 E4-3, p. 159 E5-1, p. 162	Environment
	S1-3, p. 168 S3-3, p. 179 S4-3, p. 181	People
d) Implementation of actions to address negative impacts	E1-1, p. 145 E2-2 and E2-3, p. 157	Environment

	E4-3, p. 159 E5-2, p. 162	
	S1-4, p. 169 S3-4, p. 179 S4-5, p. 182	People
e) Monitoring and communication of the effectiveness of these efforts	E1-4, p. 150 E2-2 and E2-3, p. 157 E4-4, p. 160 E5-3, p. 163	Environment
	S1-5, p. 170 S3-5, p. 180 S4-5, p. 182	People

09 Additional information



9.1. Information on compliance with transparency guidelines
9.2. EPSO-G announcement on compliance with the Corporate Governance Code for companies listed on NASDAQ Vilnius
9.3. Details and other general information about UAB EPSO-G
9.4. Details of EPSO-G group companies

9. Additional information

9.1. Information on compliance with transparency guidelines

EPSO-G and its subsidiaries comply with Government Resolution No. 1052 of 14 July 2010 on the Approval of the Guidelines for Ensuring the Transparency of State-Owned Enterprises (hereinafter referred to as the Transparency Guidelines). The Transparency Guidelines are mandatory because EPSO-G is a state-owned enterprise (hereinafter referred to as SOE).

In order to ensure compliance with the Transparency Guidelines within the EPSO-G group of companies, a transparency and communication policy was approved at the group level, which takes into account in detail the requirements set out in the Transparency Guidelines and establishes their application to the companies of the EPSO-G group.

The implementation of the Transparency Guidelines is essentially ensured through the information disclosed in the integrated annual report and the disclosure of information on the websites of the EPSO-G management company and Group companies, disclosing and presenting information in a format that is accessible and understandable to stakeholders.

The transparency guidelines state that SOEs follow the provisions of the Nasdaq Vilnius Listed Companies' Corporate Governance Code relating to public disclosure of information. Information on how EPSO-G complies with the provisions of this code is disclosed in Appendix IV to the EPSO-G integrated annual report, EPSO-G's report on compliance with the Nasdaq Vilnius Listed Companies Governance Code.

Below is structured information on the implementation of the Transparency Guidelines

The following information must be published on the EPSO-G website and other requirements must be met	
Company name, code and register in which data about the Company is collected and stored, registered office (address)	Implemented
Legal status if EPSO-G is being restructured, reorganised (specifying the method of reorganisation), liquidated, is bankrupt or has gone bankrupt	Not applicable
Information about the institution representing the state, i.e. the Ministry of Energy of the Republic of Lithuania, and a link to its website	In progress
Objectives, vision and mission	In progress
Structure	In progress
Manager details*	Implemented
Details of the chairperson and members of the board*	Implemented
Details of the chairperson and members of the supervisory board*	Not applicable
Names of committees, details of their chairpersons and members*	In progress
**The following details are published: first name, surname, date of commencement of current duties, other management positions held in other legal entities, education, qualifications, professional experience; it is indicated whether the member of the collegial body is elected or appointed as an independent member.*	
Total nominal value of shares owned by the state (in euros, rounded to the nearest euro cent) and share (in per cent) in the authorised capital of EPSO-G	Implemented
Special obligations are performed in accordance with the recommendations approved by the Minister of Economy and Innovation of the Republic of Lithuania: the purpose of the special obligations is indicated, the state budget appropriations allocated for their implementation in the current calendar year and the legal acts entrusting the SOE with the implementation of the special obligation, the conditions for the implementation of the special obligation and/or the regulation of pricing are established	Implemented
Information on social responsibility initiatives and measures, important ongoing or planned investment projects	Implemented
If EPSO-G is a participant in other legal entities (not applicable to subsidiaries and sub-subsidiaries), the name, code and register of such legal entities where data about the Company is collected and stored, registered office (address), website addresses	In progress

The annual financial statements, the management report and the auditor's report on the annual financial statements must be published on the EPSO-G website within 10 working days of the approval of the annual financial statements.	In progress
EPSO-G interim financial statements and EPSO-G interim reports must be published on the website no later than two months after the end of the reporting period.	In progress
Given that EPSO-G is a parent company, the following information must also be published on the website:	
Group structure	In progress
Subsidiaries and sub-subsidiaries:	
Company name, code and register in which data about the company is collected and stored, registered office (address)	Performed
Website addresses	In progress
EPSO-G's share (in percent) in the authorised capital of companies	Performed
Annual consolidated financial statements and consolidated management reports	In progress
The following documents must be published on the website, and other requirements must be met:	
EPSO-G Articles of Association	In progress
Letter from the Ministry of Energy of the Republic of Lithuania on the setting of state objectives and expectations for EPSO-G	In progress
Business strategy or a summary thereof in cases where the business strategy contains confidential information or information that is considered a commercial (production) secret	In progress
Remuneration policy covering the remuneration of the head of EPSO-G and the remuneration of members of collegial bodies and committees established by EPSO-G	Implemented
EPSO-G annual and interim reports	Implemented
Annual and interim financial statements for a period of at least five years and the auditor's conclusions on the annual financial statements	In progress
The above documents are published in PDF format and technical facilities are provided for printing them.	In progress
The following requirements must be published/implemented in the financial statements and reports:	
EPSO-G keeps its accounts in such a way as to ensure that the financial statements are prepared in accordance with international accounting standards.	In progress
EPSO-G prepares a set of interim financial statements every six months.	In progress
In addition to the annual report, EPSO-G prepares a six-month interim report.	In progress
In addition to the content requirements set out in the Law on Financial Reporting of Companies of the Republic of Lithuania, the integrated annual report of EPSO-G must also include the following information[1] :	
Brief description of the business model	Implemented
Information about significant events that occurred during and after the financial year (until the preparation of the annual report) and had a material impact on EPSO-G's activities.	In progress
Results of the implementation of the objectives set out in the business strategy	In progress
Profitability, liquidity, asset turnover and debt ratios	In progress
Fulfilment of special obligations	In progress

[1] If the information is considered to be a commercial (production) secret or confidential information of the SOE, the SOE may not disclose such information, but the SOE management report must indicate that this information is not disclosed and state the reason for non-disclosure.

Implementation of investment policy, ongoing and planned investment projects and investments during the reporting year	In progress**
*** Investments, ongoing and planned projects, investments during the reporting year are presented in sections 3.4, 3.5 and 4.2.8 of the integrated annual report.*	
Implementation of risk management policy	Implemented
Implementation of the dividend policy	In progress
Implementation of remuneration policy	In progress
Total annual remuneration fund, average monthly remuneration by position and/or department	Implemented
SOEs that are not required to prepare social responsibility reports are recommended to include information related to environmental, social and personnel issues, human rights, and the fight against corruption and bribery in their annual reports.	Implemented
The integrated annual report shall include the structure of the group of companies, as well as the name of each subsidiary, code and register in which data about the Company is collected and stored, registered office (address), share of shares held (in percent) in the authorised capital of the subsidiary, financial and non-financial results for the financial year.	The
The EPSO-G interim reports provide a brief description of the EPSO-G business model, an analysis of the financial results for the reporting period, information on significant events that occurred during the reporting period, as well as profitability, liquidity, asset turnover, debt ratios and their changes compared to the corresponding period of the previous year	In progress

9.2. EPSO-G report on compliance with the Corporate Governance Code for companies listed on NASDAQ Vilnius

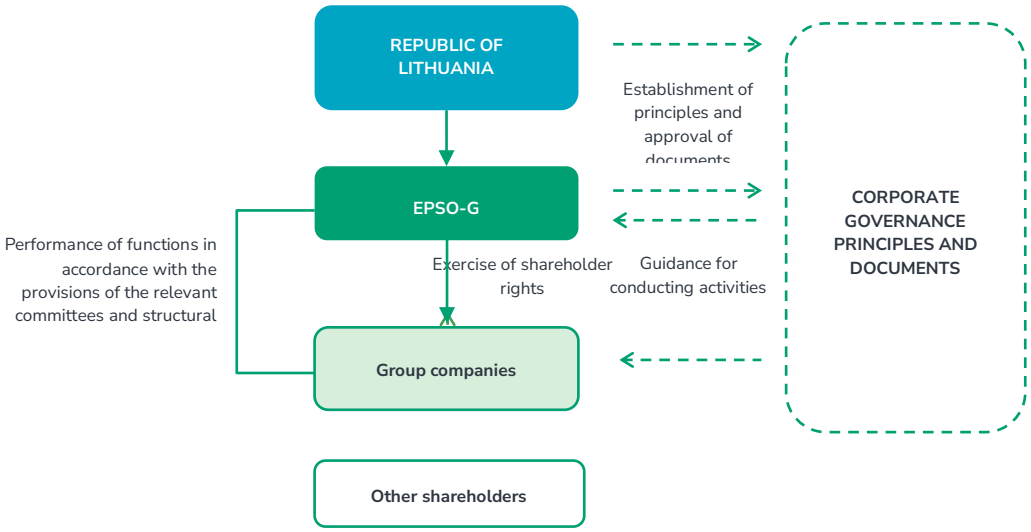
In accordance with the Transparency Guidelines and the EPSO-G Group's transparency and communication policy, EPSO-G discloses in this report its compliance with the provisions of the Nasdaq Vilnius-approved Corporate Governance Code for listed companies. If this code or some of its provisions are not complied with, it is indicated which specific provisions are not complied with and for what reasons.

Implementation of the recommendations of the Nasdaq Vilnius Corporate Governance Code EPSO-G is essentially ensured through the information disclosed in the management report and the disclosure of extensive information on the EPSO-G website in order to provide information to stakeholders in an accessible and understandable format.

Free-form summary of the company's governance report

The state-owned company EPSO-G is the parent company of the EPSO-G group. The rights and obligations of the shareholder of the management company EPSO-G are exercised by the Ministry of Energy of the Republic of Lithuania. The company's management structure and governance model are established by the company's articles of association, the corporate governance guidelines for the EPSO-G group of companies approved by the sole shareholder, the Ministry of Energy, on 24 April 2018 (new version approved on 29 December 2022) and the corporate governance policy of the EPSO-G group of companies. All of the above documents are published on the company's website.

Figure 1. Schematic diagram of the implementation of EPSO-G corporate governance.



Company management structure:

- general meeting of shareholders;
- Board of Directors (5 members, 3 of whom are independent, the other 2 members are nominated by the sole shareholder, the Ministry of Energy);
- Group-level committees:
    - remuneration and appointment committee (the majority of members are independent);
    - audit committee (majority of members are independent);
- CEO.

The Group has a centralised internal audit function. To ensure the independence of the internal audit function, the head of internal audit is appointed and dismissed by the management company's board, which is composed of a majority of independent members. Internal audit reports to the EPSO-G audit committee, which also consists of a majority of independent members. The company's board of directors analyses the internal audit recommendations and approves an action plan for their implementation.

Based on the EPSO-G Group's risk management policy, a unified risk management system is being implemented across the Group in accordance with the COSO ERM standards applied in international practice, which define the principles and responsibilities for risk identification, assessment and management. Risk management is coordinated at the Group level.

To ensure good governance practices, the EPSO-G Group has approved operational policies. They are designed to implement a consistent and effective organisational management system that helps employees successfully implement important strategic projects and transparently and effectively create benefits for the country's people and businesses.

In implementing the objectives set out in the shareholder's letter of expectations, EPSO-G's management company has established basic principles and, in certain cases, specific rules (operating policies), which are presented in section 5.1.1 of this report.

EPSO-G relies on good governance practices set out in the recommendations for good governance published by the Organisation for Economic Co-operation and Development (OECD), the recommendations of the United Nations and Nasdaq Vilnius, other internationally recognised standards and good governance recommendations, the main purpose of which is to ensure that state-owned companies are managed transparently and efficiently.

2. Structured table

Principles and recommendations	Yes / No / Not applicable	Comment
Principle 1: General meeting of shareholders, impartial treatment of shareholders and shareholder rights The company's governance system should ensure impartial treatment of all shareholders. The company's governance system should protect shareholders' rights.		
All shareholders should have equal opportunities to access the information and/or documents provided for in the legislation and to participate in decisions important to the company.	YES	The company has a single shareholder.
It is recommended that the company's capital consist only of shares that grant their holders equal voting, ownership, dividend and other rights.	YES	All of the company's shares are ordinary registered shares with a nominal value of EUR 0.29 per share.
It is recommended that investors be given the opportunity to familiarise themselves with the rights conferred by new or already issued shares in advance, i.e. before purchasing the shares.	NOT APPLICABLE	The company has a single shareholder and is not listed.
For particularly important exceptional transactions, such as the transfer of all or almost all of the company's assets, which would essentially mean the transfer of the company, the approval of the general meeting of shareholders should be obtained.	YES	Article 28 of the company's articles of association specifies the cases in which the approval of the sole shareholder is required – these cases are determined taking into account the fact that the company's main assets are shares in subsidiaries.
The procedures for organising and participating in the general meeting of shareholders should provide equal opportunities for shareholders to participate in the general meeting and should not violate the rights and interests of shareholders. The place, date and time chosen for the general meeting of shareholders should not prevent active participation by shareholders in the general meeting of shareholders. In the notice convening the general meeting of shareholders, the company should indicate the last day on which proposed draft resolutions may be submitted.	NOT APPLICABLE	The company has a single shareholder and is not listed.
In order to ensure the right of shareholders living abroad to access information, it is recommended, where possible, to publish the documents prepared for the general meeting of shareholders in advance not only in Lithuanian, but also in English and/or other foreign languages. It is also recommended that the minutes of the general meeting of shareholders after their signing and/or the decisions adopted be published 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 could harm the company or reveal the company's trade secrets.	NOT APPLICABLE	The company has a single shareholder and is not listed.
Shareholders with voting rights should be given the opportunity to vote at the shareholders' meeting in person or in absentia. Shareholders should not be prevented from voting in advance in writing by completing a general voting ballot.	YES	A shareholder may vote in writing.

In order to increase shareholders' opportunities to participate in general meetings, companies are recommended to make wider use of modern technologies and thus enable shareholders to participate and vote in general meetings using electronic means of communication. In such cases, the security of the information transmitted must be ensured and the identity of the participant and voter must be verifiable.	NOT APPLICABLE	The company has a single shareholder and is not listed.

The notice of the draft resolutions of the general meeting of shareholders recommends disclosing the new candidates for the collegial body, their proposed remuneration, and the proposed audit firm, if these issues are included in the agenda of the general meeting of shareholders. When a new member of a collegial body is proposed for election, it is recommended to provide information about their education, work experience and other managerial positions held (or proposed to be held).

Members of the company's collegial body, senior management[2] or other competent persons associated with the company who are able to provide information related to the agenda of the general meeting of shareholders should attend the general meeting of shareholders. Proposed candidates for membership of the collegiate body should also attend the general meeting of shareholders if the election of new members is included in the agenda of the general meeting of shareholders.	NOT APPLICABLE	The company has a single shareholder and is not listed.
Principle 2: Supervisory Board 1. Functions and responsibilities of the supervisory board The company's supervisory board should ensure that the interests of the company and its shareholders are represented, that this body is accountable to the shareholders and that it supervises the company's activities and its management bodies in an objective and impartial manner, as well as providing ongoing recommendations to the company's management bodies. The supervisory board should ensure the integrity and transparency of the company's financial accounting and control system.		
1) Members of the supervisory board should act honestly, diligently and responsibly in the interests of the company and its shareholders and represent their interests, taking into account the interests of employees and the welfare of society.	NOT APPLICABLE	The company does not have a supervisory board.
2) When the decisions of the supervisory board may affect the interests of the company's shareholders differently, the supervisory board should treat all shareholders impartially. It should ensure that shareholders are properly informed about the company's strategy, risk management and control, and the resolution of conflicts of interest.	NOT APPLICABLE	The company does not have a supervisory board.
3) The supervisory board should be impartial when making decisions that are important for the company's activities and strategy. The work and decisions of the members of the supervisory board should not be influenced by the persons who elected them.	NOT APPLICABLE	The company does not have a supervisory board.
4) Members of the supervisory board should clearly express their disagreement if they believe that a decision of the supervisory board may harm the company. Independent members of the supervisory board of3 should: a) remain independent in their analysis and decision-making; b) not seek or accept any unjustified benefits that could raise doubts about the independence of the members of the supervisory board.	NOT APPLICABLE	The company does not have a supervisory board.
5) The supervisory board should ensure that the company's tax planning strategies are developed and implemented in accordance with the law in order to avoid malpractice that is not in the long-term interests of the company and its shareholders and that may give rise to reputational, legal or other risks.		

[2] For the purposes of this Code, senior management refers to those employees of the company who hold the highest management positions.

[3] For the purposes of this Code, the criteria for the independence of supervisory board members are understood as defined in Article 31(7) and (8) of the Law on Joint Stock Companies of the Republic of Lithuania as criteria for unrelated persons.

6) The company should ensure that the supervisory board is provided with sufficient resources (including financial resources) necessary to perform its duties, including the right to obtain all necessary information and the right to seek independent professional advice from external legal, accounting or other specialists on matters within the competence of the supervisory board and its committees.	NOT APPLICABLE	The company does not have a supervisory board.
2. Formation of the supervisory board The procedure for forming the supervisory board should ensure the proper resolution of conflicts of interest and the effective and honest management of the company.		
1) The members of the supervisory board elected by the general meeting of shareholders should collectively ensure a diversity of qualifications, professional experience and competences, as well as strive for gender balance. In order to maintain an appropriate balance of qualifications among the members of the supervisory board, it should be ensured that the members of the supervisory board as a whole have a diverse range of knowledge, opinions and experience to perform their tasks properly.	NOT APPLICABLE	The company does not have a supervisory board.
2) Members of the supervisory board should be appointed for a fixed term, with the possibility of being individually re-elected for a new term in order to ensure the necessary growth in professional experience.	NOT APPLICABLE	The company does not have a supervisory board.
3) The chair of the supervisory board should be a person whose current or former positions would not prevent them from acting impartially. A former head of the company or member of the board should not be immediately appointed to the position of chair of the supervisory board. When a company decides not to follow these recommendations, information should be provided on the measures taken to ensure impartiality.	NOT APPLICABLE	The company does not have a supervisory board.
4) Each member should devote sufficient time and attention to the duties of a supervisory board member. Each member of the supervisory board should undertake to limit their other professional commitments (in particular, management positions in other companies) so that they do not interfere with the proper performance of their duties as a member of the supervisory board. If a supervisory board member has attended less than half of the supervisory board meetings during the company's financial year, the company's shareholders should be informed of this.	NOT APPLICABLE	The company does not have a supervisory board.
5) When a member of the supervisory board is proposed for appointment, it should be disclosed which members of the supervisory board are considered independent. The supervisory board may decide that a particular member, although meeting the criteria for independence, cannot be considered independent due to special personal or company-related circumstances.	NOT APPLICABLE	The company does not have a supervisory board.
6) The remuneration of supervisory board members for their activities and participation in supervisory board meetings should be approved by the company's general meeting of shareholders.		

7) The supervisory board should conduct an annual assessment of its performance. This should include an assessment of the structure, organisation and ability of the supervisory board to function as a group, as well as an assessment of the competence and performance of each member of the supervisory board and an assessment of whether the supervisory board has achieved its objectives. The supervisory board should publish relevant information on its internal structure and working procedures at least once a year.	NOT APPLICABLE	The company does not have a supervisory board.
Principle 3: Management Board 3. Functions and responsibilities of the management board The management board should ensure the implementation of the company's strategy and proper management of the company, taking into account the interests of shareholders, employees and other interest groups.		
1) The board should ensure the implementation of the company's strategy, which is approved by the supervisory board, if one is established. In cases where no supervisory board is established, the board is also responsible for approving the company's strategy.	YES	Article 38 of the company's articles of association states that the company's board of directors approves the Group's business strategy, which, among other things, formulates the overall mission and vision of the Group of Companies. The board of directors also regularly reviews reports on the implementation of the strategy (Article 39 of the articles of association).
2) The Board, as a 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, it also performs the supervisory functions specified in the Law. In performing its functions, the board should take into account the needs of the company, shareholders, employees and other interest groups, with a view to achieving sustainable business development.	YES	Paragraph 43 of the company's articles of association states that the company's board of directors performs supervisory functions.
3) The board should ensure compliance with the law and the company's internal policies applicable to the company or the group of companies to which the company belongs. It should also establish appropriate risk management and control measures, ensuring regular and direct accountability of managers.	YES	Paragraph 38 of the Company's Articles of Association stipulates that the Company's Board of Directors shall consider and approve Group-wide documents applicable at the Group level: policies, guidelines for the most important activities of the Group, as well as other Group-level documents which are applied directly and in full by the companies of the Group, except in cases where the relevant management bodies of a specific company of the Group have adopted justified decisions on exceptions to the application of these corporate documents. When approving the aforementioned documents, the board may also establish measures for their implementation. The board also instructs the CEO, by separate decisions, to provide regular reports on the indicators to be monitored by the board (e.g. the company's strategy, business plan, budget, etc.).
4) The board should also ensure that the company has measures in place that are included in the OECD's recommendations for good practice[4] on internal control, ethics and compliance to ensure compliance with applicable laws, rules and standards.		

[4] Reference to the OECD Good Practice Recommendations on Internal Control, Ethics and Compliance: https://www.oecd.org/daf/anti-bribery/44884389.pdf

5) When appointing the company's CEO, the board should consider the appropriate balance of qualifications, experience and competence of the candidate.	YES	Article 77 of the company's articles of association stipulates that the company's CEO is appointed by the board of directors, taking into account the recommendations of the Remuneration and Appointment Committee. Article 79 of the company's Articles of Association stipulates that when assessing the suitability of a candidate for the position of head, the board of directors shall shall assess his or her compliance with the requirements set forth in these Articles of Association and legal acts and, for this purpose, may request the candidate to submit documents proving such compliance and/or apply to the competent authorities for the necessary information about the candidate.
Formation of the board		
1) The members of the Management Board elected by the Supervisory Board or the general meeting of shareholders, if no Supervisory Board is formed, should collectively ensure a diversity of qualifications, professional experience and competences, as well as strive for gender balance. In order to maintain an appropriate balance of qualifications among board members, it should be ensured that the board members as a whole have a diverse range of knowledge, opinions and experience to perform their tasks properly.	YES	The selection of members of the company's board is carried out in accordance with the procedure established by the Government of the Republic of Lithuania. When selecting board members, it is ensured that the board has at least 3 (three) independent members, whose independence is determined in accordance with the criteria established by mandatory legislation, and it is also sought to ensure that the members of the board have the necessary competences, taking into account the areas of responsibility and functions of the board; where possible, company employees should not be appointed to the board. Each year, board members conduct a self-assessment of their performance. The Remuneration and Appointment Committee also assesses the performance of the board each year and provides summary recommendations on how to improve the performance of the Group's collegial bodies.
2) The names, surnames, information about their education, qualifications, professional experience, current positions, other important professional commitments and potential conflicts of interest should be disclosed in compliance with the requirements of the legislation governing the processing of personal data at the meeting of the supervisory board at which the board or individual members thereof will be elected. If no supervisory board is established, the information specified in this point should be provided to the general meeting of shareholders. The management board should collect the data specified in this point on its members each year and present it in the company's annual report.	YES	Article 32 of the company's articles of association stipulates that, when assessing the suitability of a candidate for membership of the board of directors, the meeting shall assess his or her compliance with the requirements set out in the articles of association and applicable legislation. Pursuant to Article 33 of the company's articles of association, each candidate for the board must submit a declaration of interests to the general meeting of shareholders. Information about the appointed board members is published and updated on the company's website. This information is not repeated in the management report, but the management report does contain information about the chairman of the board, the CEO, the chief financial officer and the head of the internal audit department.
3) All new board members should be familiarised with their duties, the company's structure and activities.	YES	Board members are familiarised with the company's structure and activities. The main corporate documents of the company are shared.
4) Board members should be appointed for a fixed term, with the possibility of being individually re-elected for a new term, in order to ensure the necessary growth in professional experience and sufficiently frequent re-confirmation of their status.	YES	Board members are appointed for a term of 4 years. A board member may not serve as a board member for more than 2 (two) full consecutive terms and, in any case, may not serve as a board member for more than 10 (ten) consecutive years.

5) The chair of the board should be a person whose current or former duties would not prevent them from performing their duties impartially. Where no supervisory board is established, a former head of the company should not be appointed as chair of the board immediately. Where a company decides not to comply with these recommendations, information should be provided on the measures taken to ensure impartiality.	YES	The company's articles of association set out criteria under which a person may not be elected as a member of the board. According to Article 52 of the company's articles of association, the chair of the board should be an independent member of the board.
6) Each member should devote sufficient time and attention to the performance of their duties as a member of the board. If a member of the board has attended less than half of the board meetings during the company's financial year, the company's supervisory board should be informed thereof; if the company does not have a supervisory board, the general meeting of shareholders should be informed.	YES	The minutes of the company's board meetings record the attendance and voting of board members when decisions are made. The attendance of board members at meetings is indicated in the management report. Each year, the members of the company's board of directors perform an assessment of their activities and submit the results to the shareholder and the Remuneration and Appointment Committee.
7) If, in the cases specified by law, when electing the board of directors, no supervisory board is formed, some of its members will be independent[5] , it should be announced which members of the board of directors are considered independent. The board may decide that a particular member, even though he or she meets all the independence criteria set out in the Law, cannot be considered independent due to special personal or company-related circumstances.	YES	Both the company's website and the management report provide information about the members of the company's board, specifically identifying the independent members.
8) The remuneration of board members for their activities and participation in board meetings should be approved by the company's general meeting of shareholders.	YES	Article 28 of the company's articles of association stipulates that the general meeting of shareholders shall decide on the remuneration guidelines applicable to the remuneration of the company's and the group's board members.
9) Board members should act honestly, diligently and responsibly in the interests of the company and its shareholders and represent their interests, taking into account other stakeholders. When making decisions, they should not pursue personal interests, they should be subject to non-competition agreements, and they should not use business information and opportunities related to the company's activities in a manner that is contrary to the company's interests.		
10) The board should conduct an assessment of its performance each year. This should include an assessment of the board's structure, organisation and ability to function as a group, as well as an assessment of the competence and performance of each board member and an assessment of whether the board has achieved its performance objectives. The board should publish relevant information about its internal structure and operating procedures at least once a year, without prejudice to the requirements of legislation governing the processing of personal data.	YES	The board conducts an annual self-assessment of its activities and uses it as a basis for preparing an action plan for improvement. The summary results of the board's performance assessment are presented in the company's management report.

[5] For the purposes of this Code, the criteria for the independence of board members are understood as defined in Article 33(7) of the Law on Joint Stock Companies of the Republic of Lithuania.

Principle 4: Working procedures of the company's supervisory board and board of directors
The rules of procedure of the supervisory board, if established, and the board of directors should ensure the effective work and decision-making of these bodies and promote active cooperation between the company's bodies.

1) The management board and the supervisory board, if established, should cooperate closely for the benefit of both the company and its shareholders. Good corporate governance requires open discussion between the management board and the supervisory board. The board should regularly, and when necessary immediately, inform the supervisory board of all matters of importance to the company relating to planning, business development, risk management and control, and compliance with the company's obligations. The management board should inform the supervisory board of any actual deviations in business development from previously formulated plans and objectives, indicating the reasons for such deviations.	NOT APPLICABLE	The company does not have a supervisory board.
2) It is recommended that meetings of the company's collegial bodies be held at appropriate intervals in accordance with a pre-approved schedule. Each company decides for itself how often to convene meetings of collegial bodies, but it is recommended that they be held at intervals that ensure the uninterrupted resolution of essential company governance issues. Meetings of the company's collegial bodies should be convened at least once per quarter.	YES	The company's articles of association stipulate that the board of directors shall adopt its decisions at board meetings, which shall be held as often as necessary to enable the board to perform its functions properly and adopt decisions within its competence. At the end of each year, the company's board agrees on the schedule of regular meetings and the action plan (preliminary issues for the relevant board meeting) for the following year.

3) Members of the collegial body should be informed of the meeting in advance so that they have sufficient time to prepare for the discussion of the issues to be considered at the meeting and so that a discussion can take place, followed by the adoption of decisions. Together with the notice of the meeting, members of the collegial body should be provided with all necessary materials related to the agenda of the meeting. The agenda should not be changed or supplemented during the meeting, except in cases where all members of the collegial body are present at the meeting and agree to such a change or addition to the agenda, or where it is necessary to resolve important issues for the company without delay.

4) In order to coordinate the work of the company's collegial bodies and ensure an effective decision-making process, the chairpersons of the company's collegial supervisory and management bodies should coordinate the dates and agendas of the meetings they convene and cooperate closely in resolving other issues related to the company's governance. Meetings of the company's supervisory board should be open to members of the company's management board, especially in cases where issues related to the dismissal, liability and remuneration of management board members are discussed at the meeting.	NOT APPLICABLE	The company does not have a supervisory board.

Principle 5: Appointment, remuneration and audit committees

Purpose and composition of committees

The committees established in the company should enhance the effectiveness of the supervisory board, or, if no supervisory board is established, the board of directors, which performs supervisory functions, by ensuring that decisions are taken after proper consideration and by helping to organise the work in such a way that decisions are not influenced by material conflicts of interest.

Committees should act independently and with integrity and make recommendations to the collegiate body, but the final decision rests with the collegiate body itself.

1) Depending on the specific circumstances of the company, the chosen corporate governance structure, the company's supervisory board, or in cases where no supervisory board is established, the board of directors, which performs supervisory functions, shall set up committees. It is recommended that the collegial body form appointment, remuneration and audit committees[6] .	YES	The company has a remuneration and appointment committee for the group of companies formed by the EPSO-G board, which operates in accordance with the rules of procedure approved by the body that formed it, and an audit committee formed by the sole shareholder of EPSO-G single shareholder, which operates in accordance with the operating regulations approved by the body that formed it. Given that remuneration and appointment issues are closely related and require experts with the same qualifications to resolve them, it was decided to form a single remuneration and appointment committee.
2) Companies may decide to form fewer than three committees. In such cases, companies should provide an explanation of why they have chosen an alternative approach and how the chosen approach meets the objectives set for three separate committees.	YES	
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 cases, the provisions of this Code relating to committees (in particular regarding their role, activities and transparency) should, where appropriate, apply to the collegial body as a whole.	NOT APPLICABLE	See 5.1.
4) Committees established by a collegial body should normally consist of at least three members. Subject to legal requirements, committees may consist of only two members. The members of each committee should be selected primarily on the basis of their competence, with preference given to independent members of the collegiate body. The chair of the board should not be the chair of the committees.	YES	Sections 7.7 - 7.9 of the company's articles of association regulate the formation and competence of the Group's committees. The aforementioned articles of association stipulate that the Remuneration and Appointments Committee and the Audit Committee shall consist of at least 3 members. The Remuneration and Appointments Committee ensures that at least one of its three members is independent, while more than half of the members of the Audit Committee are independent. The chairpersons of the Remuneration and Appointments Committee and the Audit Committee are independent members of the committees. Not all members of the Remuneration and Appointments Committee and the Audit Committee are appointed from the EPSO-G Board. One independent member is appointed to each committee on the basis of competence through an external selection process for the position of independent committee member.

[6] Legislation may provide for the obligation to establish a relevant committee. For example, the Law on Auditing of Financial Statements of the Republic of Lithuania stipulates that public interest entities (including, but not limited to, joint stock companies whose securities are traded on a regulated market in the Republic of Lithuania and/or any other Member State) must establish an audit committee (the legislation provides for exceptions where the functions of the audit committee may be performed by a collegial body performing supervisory functions).

5) The terms of reference of each committee established should be defined by the collegiate body itself. The committees should carry out their duties in accordance with their terms of reference and report regularly to the collegiate body on their activities and results. The terms of reference of each committee, defining its role and setting out its rights and duties, should be published at least once a year (as part of the information that the company publishes annually on its governance structure and practices). Companies should also publish in their annual report, without prejudice to the requirements of legislation on the processing of personal data, reports from the existing committees on their composition, the number of meetings held and the attendance of members at meetings over the past year, as well as their main areas of activity and performance results.		
6) In order to ensure the independence and objectivity of the committees, members of the collegiate body who are not members of the committee should normally only be entitled to attend committee meetings at the invitation of the committee. The committee may invite or require certain company employees or experts to attend the meeting. The chair of each committee should be able to communicate directly with shareholders. The circumstances in which this should be done should be specified in the rules governing the committee's activities.	YES	The rules governing the activities of the committees provide for the right of committee members, at their discretion, to invite members of the bodies of EPSO-G group companies, employees, representatives, candidates for certain positions or other persons to their meetings and to obtain from them the necessary explanations within the limits of their competence, and to request that the necessary measures be taken to enable the committees to perform their functions.
Appointment Committee.		
The main functions of the Appointments Committee should be as follows: 1) to select candidates for vacant positions on the supervisory and management bodies and in senior management and to recommend them to the collegiate body for consideration. The Appointments Committee should assess the balance of skills, knowledge and experience within the management body, prepare a description of the functions and capabilities required for a specific position, and assess the time commitment required for the role; 2) regularly assess the structure, size, composition, skills, knowledge and performance of the supervisory and management bodies, and make recommendations to the collegiate body on how to achieve the necessary changes; 3) Pay due attention to continuity planning.		
When dealing with issues relating to members of collegial bodies who have an employment relationship with the company and senior management, the company's CEO should be consulted and given the right to make proposals to the Appointments Committee.	YES	The operating regulations stipulate that the right to initiate the convening of the Remuneration and Appointment Committees lies with the board or managers of the group of companies, who also propose the agenda for the meeting, submit relevant materials and draft decisions. This provision is not currently relevant in practice, as there are no company employees on the board.
Remuneration Committee.		
The main functions of the Remuneration Committee should be as follows: 1) to submit proposals on the remuneration policy applicable to members of the supervisory and management bodies and senior management to the collegial body for consideration. Such a policy should cover all forms of remuneration, including fixed remuneration, performance-related remuneration, incentive schemes, pension schemes, severance payments, as well as conditions allowing the company to recover amounts or suspend payments, specifying the circumstances in which it would be appropriate to do so; 2) submitting proposals to the collegiate body on the individual remuneration of members of the collegiate bodies and senior management, with a view to ensuring that it is in line with the company's remuneration policy and the assessment of the performance of those persons; 1) 3) regularly review the remuneration policy and its implementation.	YES	See section 5.4.2 of this report.

Audit Committee.	YES	The EPSO-G Audit Committee acts as an advisory body to the Company's Board of Directors on matters within the scope of the Committee's activities, operating at the Group level, with the following main functions: 1. Reviewing the process of preparing and auditing the Group's financial statements; 2. Ensuring compliance with the principles of independence and objectivity of the Group's auditors and audit firms; 3. providing opinions on transactions with related parties in cases specified in the articles of association of listed subsidiaries; 4. Providing recommendations on the selection, appointment, reappointment and dismissal of the external auditor and the terms of the contract with the external audit firm; 5. Overseeing the Group's internal control, risk and compliance management and internal audit functions, as well as the effectiveness of operational processes, and providing recommendations.
1) The main functions of the audit committee are defined in the legislation governing the activities of the audit committee[7] .		
2) All committee members should be provided with detailed information on the specific accounting, financial and operational characteristics of the company. The company's management should inform the audit committee about the accounting methods used for significant and unusual transactions where accounting can be performed in different ways.		
3) The audit committee should decide whether the chairman of the board, the company's chief executive, the chief financial officer (or senior staff responsible for finance and accounting), the internal auditor and the external auditor should attend its meetings (and if so, when). The committee should be able to meet with the relevant persons without the presence of members of the management bodies, if necessary.	YES	The audit committee's rules of procedure provide that committee members may, at their discretion, invite members of the bodies of group companies, employees, representatives, candidates for certain positions or other persons to their meetings and obtain from them the necessary explanations within the limits of their competence, and to request that the necessary actions be taken to perform the committee's functions.
4) The audit committee should be informed of the internal auditors' work programme and receive internal audit reports or periodic summaries. The audit committee should also be informed of the external auditors' work programme and should receive a report from the audit firm describing all relationships between the independent audit firm and the company and its group.	YES	The audit committee is periodically, at least once a quarter, familiarised with internal audit reports, makes recommendations on the approval of the internal audit plan and monitors its implementation. The audit committee organises meetings with external auditors to discuss the auditors' work programme and any issues that have arisen during the audit, and, after the external audit has been completed, discusses the auditors' conclusions and recommendations with them. At the beginning of each year, the audit firm submits its declaration of independence to the Audit Committee and the companies.
5) The Audit Committee should verify that the company complies with the applicable provisions governing the possibility for employees to lodge complaints or report suspicions of violations within the company anonymously, and should ensure that procedures are in place for the proportionate and independent investigation of such matters and for appropriate follow-up.		

[7] The activities of audit committees are regulated by Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, the Law on Financial Statements and Other Assurance Services of the Republic of Lithuania, as well as the rules approved by the Bank of Lithuania regulating the activities of audit committees.

6) The audit committee should report to the supervisory board or, if there is no supervisory board, to the board of directors at least once every six months, at the time when the annual and half-yearly reports are approved.	YES	The Audit Committee's rules of procedure stipulate that the Audit Committee shall submit a half-yearly and annual activity report to the Board. The annual report shall also be submitted to the sole shareholder of EPSO-G.
Principle 6: Avoidance and disclosure of conflicts of interest The company's governance system should encourage members of the company's supervisory and management bodies to avoid conflicts of interest and ensure a transparent and effective mechanism for disclosing conflicts of interest among members of the company's supervisory and management bodies. The corporate governance system should recognise the rights of stakeholders as enshrined in law and encourage active cooperation between the company and its stakeholders in creating corporate prosperity, jobs and financial stability. In the context of this principle, the term *'stakeholders'* includes investors, employees, creditors, suppliers, customers, the local community and other persons with an interest in the company.		
A member of a company's supervisory or management body should avoid situations where his or her personal interests conflict or may conflict with the interests of the company. If such a situation nevertheless arises, a member of the company's supervisory or management body should, within a reasonable time, inform the other members of the same body or the company body that elected them, or the company's shareholders, of the conflict of interest, indicating the nature and, if possible, the value of the interest.	YES	This obligation is laid down in the rules of procedure of the board, in the contract signed with the board member and in the EPSO-G group of companies' policy on the management of the interests of employees and collegial bodies. Article 33 of the company's articles of association stipulates that each candidate for the board must immediately inform the board of any new circumstances that may give rise to a conflict of interest.
Principle 7: Company remuneration policy The company has established a remuneration policy, and the procedure for its review and publication should prevent potential conflicts of interest and abuse in determining the remuneration of members of collegial bodies and senior management, as well as ensure the publicity and transparency of the company's remuneration policy and the company's long-term strategy.		
1) The company should approve and publish its remuneration policy on its website, which should be reviewed regularly and be in line with the company's long-term strategy.	YES	The company applies the Guidelines for Determining Remuneration for Activities in the Bodies of EPSO-G and EPSO-G Group Companies, approved by the sole shareholder of EPSO-G, which are published publicly. The company applies the remuneration, performance appraisal and training policy for employees of the EPSO-G group of companies in its entirety. The policy is publicly available.
2) The remuneration policy should cover all forms of remuneration, including fixed remuneration, performance-related remuneration, financial incentive schemes, pension models, severance payments, as well as conditions that would allow the company to recover amounts paid or suspend payments.	YES	All possible forms of remuneration for collegiate bodies and employees are set out in the Guidelines for determining remuneration for activities in the bodies of EPSO-G and EPSO-G group companies and in the EPSO-G group employee remuneration, performance assessment and training policy. Both documents are publicly available.
3) In order to avoid potential conflicts of interest, the remuneration policy should stipulate that members of collegiate bodies performing supervisory functions should not receive remuneration that is dependent on the company's performance.	YES	The company applies the Guidelines for the Determination of Remuneration for Activities in the Bodies of EPSO-G and EPSO-G Group Companies, which regulate the fixed monthly remuneration of members of collegial bodies. Members of the Board of Directors do not receive remuneration that depends on the company's results.

4) The remuneration policy should provide sufficient detail on the severance pay policy. Severance payments should not exceed a specified amount or a specified number of annual salaries and should not, in general, be more than two years' fixed remuneration or its equivalent. Severance payments should not be paid if the contract is terminated due to poor performance.	YES / NO	The EPSO-G Group's remuneration, performance assessment and training policy stipulates that no advance agreements on the amount of severance pay are made in the Group's companies (except for company directors, whose terms of employment are determined by the board of directors). The amounts of payments related to the termination of employment are determined in accordance with the minimum amounts of such payments required by labour law, except in exceptional cases where, for objective reasons, it is agreed to apply different amounts than those provided for by law. . The board of the relevant Group company must be informed of such higher payments and the grounds for them at its next meeting.
5) If the company has a financial incentive scheme, the remuneration policy should provide sufficient detail on the retention of shares after the rights have been granted. Where remuneration is based on the allocation of shares, the right to the shares should not be granted for at least three years after their allocation. After the rights have been granted, members of collegiate bodies and senior management 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 the shares.	NOT APPLICABLE	The company does not apply a system of financial incentives.
6) The company should publish information on the implementation of the remuneration policy on its website, focusing on the remuneration policy for collegiate bodies and managers for the coming financial year and, where appropriate, for subsequent financial years. It should also review how the remuneration policy was implemented in the previous financial year. Such information should not contain any commercially sensitive information. Particular attention should be paid to any significant changes in the company's remuneration policy compared to the previous financial year.		
7) It is recommended that the remuneration policy or any material change to the remuneration policy should be included in the agenda of the general meeting of shareholders. Schemes under which members of the collegiate body and employees are remunerated with shares or share options should be approved by the general meeting of shareholders.	YES	The remuneration of the members of the company's board of directors is determined by the company's general meeting of shareholders. Remuneration is determined in accordance with the guidelines for determining remuneration for members of the bodies of EPSO-G and EPSO-G group companies, which are approved by the sole shareholder of EPSO-G. The company does not apply the aforementioned schemes.
Principle 8: Role of stakeholders in corporate governance The company's governance system should recognise the rights of stakeholders as enshrined in law or mutual agreements and encourage active cooperation between the company and its stakeholders in creating the company's prosperity, jobs and financial stability. In the context of this principle, the term *stakeholders* includes investors, employees, creditors, suppliers, customers, the local community and other persons with an interest in the company.		
1) The company's governance system should ensure that the rights and legitimate interests of stakeholders are respected.	YES	The company has an EPSO-G Group Transparency and Communication Policy in place, which sets out the following objectives to increase stakeholders' awareness and understanding of the activities of the EPSO-G Group and its individual companies; to ensure employee engagement; to develop and maintain sustainable and trust-based relationships with stakeholders.
2) The company's governance system should enable stakeholders to participate in the company's governance in accordance with the law. Examples of stakeholder participation in corporate governance could include the participation of employees or their representatives in making decisions important to the company, consultations with employees or their	YES	The company consults, negotiates and discusses the company's operational processes with employee representatives. Stakeholders may participate in the management of the company to the extent provided for by law.

representatives on corporate governance and other important issues, employee participation in the company's share capital, the involvement of creditors in the company's governance in cases of company insolvency, and so on.		
3) When stakeholders participate in the company's governance process, they should be given access to the necessary information.		
4) Stakeholders should be given the opportunity to confidentially report illegal or unethical practices to the collegial body performing the supervisory function.	NO	The company's website, under the heading 'Corruption Prevention', provides the contact details for the internal reporting channel – the Trust Line. The prepared reporting form invites reports of corruption, bribery, fraud or other illegal behaviour at EPSO-G and its directly or indirectly controlled companies (Litgrid, Amber Grid, Baltpool, Tetas, Energy Cells, EPSO-G Invest) related to corruption, bribery, fraud or other illegal behaviour, violations of procurement, data protection, asset use or other rules, harassment, violence, discrimination or other inappropriate behaviour, unethical behaviour of partners, etc. Information may be provided either by disclosing data or confidentially. Information provided to the Trust Line is received by authorised persons. The audit committee operating at the EPSO-G group level ensures the functioning of the complaint system and the investigation of complaints.
Principle 9: Disclosure of information The company's governance system should ensure that information on all material issues concerning the company, including its financial situation, activities and governance, is disclosed in a timely and accurate manner.		
Without prejudice to the company's confidential information and commercial secrets, as well as the requirements of legislation regulating the processing of personal data, the information disclosed by the company should include, but is not limited to:	YES	The company has an EPSO-G Group transparency and communication policy in place, and the information specified therein is disclosed in the company's annual report and on its website.
the company's activities and financial results;	YES	-
the company's operational objectives and non-financial information;	YES	-
persons who own a block of shares in the company or who control it directly and/or indirectly, and/or together with related persons, as well as the structure of the group of companies and their mutual relations, indicating the ultimate beneficiary;	YES	-
members of the company's supervisory and management bodies, which of them are considered independent, the company's manager, their shares or votes in the company and participation in the management of other companies, their competence, remuneration;	YES	-
reports from existing committees on their composition, the number of meetings and the attendance of members at meetings over the past year, as well as their main areas of activity and performance results;	YES	-
possible significant risk factors, the company's risk management and supervision policy;	YES	-
the company's transactions with related parties;	YES	-
key issues relating to employees and other stakeholders (e.g. human resources policy, employee participation in company governance, incentives in the form of company shares or share options, relations with creditors, suppliers, the local community, etc.);	YES	-

the company's governance structure and strategy;	YES	-
social responsibility policies, anti-corruption initiatives and measures, significant ongoing or planned investment projects. This list should be considered a minimum, and companies are encouraged not to limit themselves to disclosing only the information specified in this list. This principle of the Code does not exempt a company from its obligation to disclose information required by law.	YES	-
When disclosing the information specified in point 9.1.1 of Recommendation 9.1, it is recommended that a company which is a parent company of other companies disclose information on the consolidated results of the entire group of companies.	YES	As a parent company, EPSO-G discloses information about the Group's financial results and the activities of the Group's companies.
1) When disclosing the information specified in point 9.1.4 of Recommendation 9.1, it is recommended to provide information about the professional experience, qualifications and potential conflicts of interest of the members of the company's supervisory and management bodies and the company's manager that could influence their decisions. It is also recommended to disclose the remuneration or other income received by members of the company's supervisory and management bodies and the company's manager from the company, as regulated in more detail in Principle 7.		
2) The information should be disclosed in such a way that no shareholders or investors are discriminated against in terms of the manner and scope of information received. The information should be disclosed to everyone at the same time.	NOT APPLICABLE	The company has a single shareholder and is not listed.
Principle 10: Selection of the company's audit firm The mechanism for selecting the company's audit firm should ensure the independence of the audit firm's conclusions and opinions.		
1) In order to obtain an objective opinion on the company's financial position and financial performance, the financial information presented in the company's annual financial statements and annual report should be audited by an independent audit firm.	YES	An independent auditor is appointed by the general meeting of shareholders.
2) It is recommended that the candidate for the audit firm be proposed to the general meeting of shareholders by the company's supervisory board or, if no such board has been established in the company, by the company's management board.	YES	The audit committee operating at the Group level is actively involved in the auditor selection process. The audit committee makes a recommendation to the company's board of directors on the candidate for auditor. The final decision is made by the general meeting of shareholders, which is convened by the board of directors, which also submits draft decisions.
3) If the audit firm has received remuneration from the company for non-audit services, the company should disclose this publicly. This information should also be available to the company's supervisory board or, if there is no supervisory board, to the company's board of directors when considering which audit firm to propose to the general meeting of shareholders.		Non-audit services provided by the audit firm are supervised by the Group-wide audit committee, which, in accordance with the EPSO-G Group's policy on the purchase of non-audit services from the audit firm or from any network to which the audit firm belongs, assesses the nature of the non-audit services to be provided and, where necessary, makes recommendations on the provision of such services. The audit committee receives a summary of the non-audit services provided by the audit firm on a quarterly basis. The Audit Committee shall have all the necessary information at its disposal when making a recommendation on the appointment of the audit firm. The remuneration received by the audit firm for non-audit services provided to the Group companies during the reporting period is disclosed in the management report.

9.3. Details and other general information about UAB EPSO-G

Company name	UAB EPSO-G
Legal form	Private limited liability company
Date and place of registration	25 July 2012, Register of Legal Entities of the Republic of Lithuania
Legal entity code	302826889
Registered office	Laisvės pr. 10, LT-01103 Vilnius
Tel	+370 685 84866
Email	info@epsog.lt
Website	www.epsog.lt
Authorised capital	189,631,000
Sole shareholder	The Republic of Lithuania, whose property and non-property rights and obligations are exercised by the Ministry of Energy of the Republic of Lithuania

EPSO-G is a 100% state-owned new energy group. The rights and obligations of the sole shareholder of the management company EPSO-G are exercised by the Ministry of Energy of the Republic of Lithuania.

The main activity of the EPSO-G group is to ensure uninterrupted and stable transmission of electricity through high-voltage networks and transportation of gas through high-pressure pipelines. The group is responsible for the efficient management, maintenance, operation and development of these transmission systems. The group also operates a 200 MW battery storage system, which ensures the stable operation of the electricity transmission system in isolated mode and provides balancing services with limited power (up to 40 MW).

The companies belonging to the group manage and develop biofuel and timber trading platforms designed to ensure transparent competition in the energy resources and roundwood markets. In addition, the group's companies carry out electrical energy contracting projects and provide infrastructure operation services to low, medium and high voltage network operators.

The EPSO-G group, in cooperation with its partners, invests in the development of the defence industry in Lithuania, which is of national importance.

The responsibility of all EPSO-G Group companies is to efficiently and timely implement the energy transmission and exchange infrastructure development projects of national importance set out in the shareholder's letter of expectations, contributing to the achievement of the objectives set out in the National Energy Independence Strategy and creating sustainable long-term value for the Lithuanian state, people and the country's economy.

EPSO-G and the Group companies do not have any branches or representative offices.

As of 31 December 2025, the EPSO-G Group consisted of the management company EPSO-G and six directly controlled group companies: Amber Grid, Baltpool, Energy Cells, EPSO-G Invest, Litgrid and Tetas. EPSO-G and the Group companies also hold shares in Rheinmetall Defence Lietuva, Baltic RCC OÜ and TSO Holding AS.

9.4. Details of EPSO-G group companies

Name	AB Amber Grid	LITGRID AB	BALTPOOL UAB	UAB TETAS	Energy cells, UAB	EPSO-G Invest UAB
Legal form	Joint stock company	Public limited company	Private limited liability company	Private limited liability company	Private limited company	Private limited company
Date and place of registration	11 June 2013, Register of Legal Entities of the Republic of Lithuania	16 November 2010, Register of Legal Entities of the Republic of Lithuania	10 December 2009, Register of Legal Entities of the Republic of Lithuania	8 December 2005, Register of Legal Entities of the Republic of Lithuania	26 January 2021, Register of Legal Entities of the Republic of Lithuania	18 July 2024, Register of Legal Entities of the Republic of Lithuania
Legal entity code	303090867	302564383	302464881	300513148	305689545	306949519
Registered office	Laisvės pr. 10, LT-04215 Vilnius	Karlo Gustavo Emilio Manerheimo g. 8, LT-05131 Vilnius	Žalgirio g. 90, LT-09303 Vilnius	Senamiesčio Street 102B, LT-35116 Panevėžys	Ozo Street 12A-1, LT-08200 Vilnius	Laisvės Avenue 10, LT-04215 Vilnius
Tel	+370 5 236 0855	+370 707 02171	+370 5 239 3157	+370	+370	+370 699 89818
Email	info@ambergrid.lt	info@litgrid.eu	info@baltpool.eu	info@tetas.lt	info@energy-cells.eu	info@epsoginvest.lt
Website	www.ambergrid.lt	www.litgrid.eu	www.baltpool.eu	www.tetas.lt	www.energy-cells.eu	www.epsog.lt
Nature of activities	Natural gas transmission system operator	Electricity transmission system operator	Energy resources and timber exchange operator, PSO fund administrator	Specialised technical maintenance, repair and installation services for transformer substations and distribution points, testing and commissioning works, design of energy facilities	Designated electricity storage system operator	Project management, investments
EPSO-G shareholding	96.6	97.5	67.0	100.0	100.0%	51.0%

10 Approval of responsible persons



10. Approval of responsible persons

16 March 2026

In accordance with the Law on Securities of the Republic of Lithuania and the Rules on Disclosure of Information of the Bank of Lithuania, we, Mindaugas Keizeris, Director of UAB EPSO-G, Darius Kašauskas, Group Finance Director, and Žydrūnas Augutis, Chief Financial Officer, confirm that, to the best of our knowledge, the attached consolidated and separate financial statements of UAB EPSO-G for the year ended 31 December prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flows of UAB EPSO-G and the group of companies. The 2025 consolidated management report of UAB EPSO-G accurately presents an overview of the business development and operations, the situation of UAB EPSO-G and the group of companies, together with a description of the main risks and uncertainties faced.

Company Director	Mindaugas Keizeris
Group Finance Director	Darius Kašauskas
Group Financial Accounting Manager	Žydrūnas Augutis

11

Consolidated and the company's financial statements



11. CONSOLIDATED AND THE COMPANY'S FINANCIAL STATEMENTS

11.1 Consolidated and the Company's Statements of Financial Position

FOR THE YEAR ENDED 31 DECEMBER 2025 (All amounts are in EUR thousands unless otherwise stated)

	Note	Group			Company		
		31/12/2025	31/12/2024 Reclassified	01/01/2024 Reclassified	31/12/2025	31/12/2024 Reclassified	01/01/2024 Reclassified
ASSETS							
Non-current assets							
Intangible assets	6	7,907	6,886	8,175	68	56	77
Property, plant and equipment	7	829,296	745,846	707,229	63	69	83
Right-of-use assets	8	10,230	11,604	10,810	389	537	694
Investments in subsidiaries	9	-	-	-	388,794	352,479	351,526
Investments in associates and joint ventures	9	88,818	19,131	17,677	13,830	13,830	13,830
Deferred tax asset	30	24,535	18,042	12,105	583	957	45
Other financial assets at amortised cost	14	13	10	10	55,500	-	-
Derivative assets at FVTPL		-	1,153	166	-	-	-
Other non-financial assets		64	-	-	-	-	-
Total non-current assets		**960,863**	**802,672**	**756,172**	**459,227**	**367,928**	**366,255**
Current assets							
Inventories	11	5,920	6,942	7,556	-	-	-
Contract assets	12	5,676	2,330	2,607	-	-	-
Trade receivables	13	70,433	65,106	41,888	618	549	383
Other financial assets at amortised cost	14	76,946	156,568	22,027	81,418	168,176	46,225
Other non-financial assets	15	76,583	72,600	96,055	78	44	69
Prepaid income tax		549	-	28,916	-	-	-
Cash and cash equivalents	16	51,293	101,562	123,236	49,789	98,791	120,015
Total current assets		**287,400**	**405,108**	**322,285**	**131,903**	**267,560**	**166,692**
TOTAL ASSETS		**1,248,263**	**1,207,780**	**1,078,457**	**591,130**	**635,488**	**532,947**
EQUITY AND LIABILITIES							
Issued capital	17	189,631	189,631	189,631	189,631	189,631	189,631
Revaluation reserve	18	21,418	23,618	26,504	-	-	-
Legal reserve	19	20,253	18,040	14,341	5,978	3,765	2,524
Other reserves	19	72,590	29,036	38,993	70,267	28,614	50
Retained earnings		80,628	87,924	25,874	31,654	44,259	30,001
Equity attributable to shareholders of the parent company		**384,520**	**348,249**	**295,343**	**297,530**	**266,269**	**222,206**
Non-controlling interest	9	48,638	12,944	12,546	-	-	-
Total equity		**433,158**	**361,193**	**307,889**	**297,530**	**266,269**	**222,206**
Non-current liabilities							
Financial borrowings and bonds issued	22	129,706	152,205	163,954	111,706	74,893	74,849
Lease liabilities	23	8,342	9,579	9,282	252	397	552
Congestion management funds	27	312,406	308,802	264,173	-	-	-
Provisions	28	3,080	2,836	2,528	-	-	-
Other financial liabilities at amortised cost	26	261	-	285	-	-	-
Other non-financial liabilities	29	12,909	16,315	3,126	-	-	-
Total non-current liabilities		**466,704**	**489,737**	**443,348**	**111,958**	**75,290**	**75,401**
Current liabilities							
Borrowings	22	60,830	13,425	31,939	1,329	1,326	19,308
Financial borrowings from group companies	22	-	-	-	178,579	291,157	214,806
Lease liabilities	23	2,346	2,306	1,599	154	154	149
Trade payables	25	81,737	119,477	68,341	246	203	153
Other financial liabilities at amortised cost	26	16,329	44,526	46,912	-	-	190
Congestion management funds	27	87,272	81,316	36,901	-	-	-
Provisions	28	7,402	15,588	12,210	-	-	-
Income tax liability		-	209	-	-	-	-
Derivative liabilities at FVTPL		-	654	166	-	-	-
Other non-financial liabilities	29	92,485	79,349	129,152	1,334	1,089	734
Total current liabilities		**348,401**	**356,850**	**327,220**	**181,642**	**293,929**	**235,340**
Total liabilities		**815,105**	**846,587**	**770,568**	**293,600**	**369,219**	**310,741**
TOTAL EQUITY AND LIABILITIES		**1,248,263**	**1,207,780**	**1,078,457**	**591,130**	**635,488**	**532,947**

The accompanying notes are an integral part of these financial statements.

11.2 Consolidated and the Company's statements of comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2025 (All amounts are in EUR thousands unless otherwise stated)

		GROUP	
	Notes	2025	2024
Revenue*	31	523,685	476,157
Other income	31	8,838	4,731
		532,523	**480,888**
Purchase of electricity and natural gas**	32	(338,534)	(281,050)
Impact of changes in gas inventory balances		(452)	(430)
Purchase for subcontracting services		(11,544)	(13,223)
Wages and salaries and related expenses	32	(61,816)	(55,744)
Repair and maintenance services		(12,088)	(10,043)
Other expenses	32	(37,923)	(35,186)
		(462,357)	**(395,676)**
EBITDA	5	**70,166**	**85,212**
Other gain (losses)	10	178	499
Depreciation and amortisation	6,7,8	(41,135)	(40,387)
Impairment of non-current assets	7	17	(480)
Loss on write-off of non-current assets		(1,225)	(216)
Operating profit (EBIT)	5	**28,001**	**44,628**
Share of results of associates	9	3,476	4,305
Finance income	33	4,387	5,334
Finance costs	33	(5,038)	(5,433)
Total finance costs - net	33	**(651)**	**(99)**
Profit before income tax		**30,826**	**48,834**
Income tax			
Current tax (expense)/benefit	30	184	(213)
Deferred tax benefit	30	6,765	6,266
Total income tax		**6,949**	**6,053**
Profit for the year		**37,775**	**54,887**
Other comprehensive income			
Items that will not be reclassified to profit or loss s in subsequent periods			
Gain on revaluation of non-current assets	7	-	(22)
Deferred tax (expenses)	30	(263)	(284)
Total comprehensive expenses that will not be reclassified subsequently to profit or loss		**(263)**	**(306)**
Total comprehensive income for the period		**37,512**	**54,581**
Profit for the year attributable to:			
Shareholders of the parent company		36,920	53,401
Non-controlling interest		855	1,486
		37,775	**54,887**
Total comprehensive income for the period attributable to:			
Shareholders of the parent company		36,664	53,102
Non-controlling interest		848	1,479
		37,512	**54,581**

* Revenue includes negative revenue from grid balancing of EUR (58,619) thousand (2024: EUR (25.723) thousand)

** Purchase of electricity and natural gas includes purchases at negative prices for grid balancing of EUR (51,550) thousand (2024: EUR (27,096) thousand)

The accompanying notes are an integral part of these financial statements.

FOR THE YEAR ENDED 31 DECEMBER 2025 (All amounts are in EUR thousand unless otherwise stated)

		COMPANY	
	Notes	2025	2024
Revenue	31	2,665	2,315
Dividend income	34	37,573	50,632
		40,238	**52,947**
Wages and salaries and related expenses	32	(5,803)	(5,103)
Other expenses		(1,681)	(1,665)
		(7,484)	**(6,768)**
EBITDA		**32,754**	**46,179**
Depreciation and amortisation		(210)	(212)
Operating profit (EBIT)		**32,544**	**45,967**
Finance income	33	6,132	7,105
Finance costs	33	(7,579)	(9,774)
Total finance costs - net	33	**(1,447)**	**(2,669)**
Profit before income tax		**31,097**	**43,298**
Income tax			
Current income tax expense		-	-
Deferred tax benefit (expense)	30	557	961
Total income tax		**557**	**961**
Profit for the year		**31,654**	**44,259**
Total comprehensive income for the period		**31,654**	**44,259**

The accompanying notes are an integral part of these financial statements.

11.3 Consolidated and the Company's statements of changes in equity

FOR THE YEAR ENDED 31 DECEMBER 2025 (All amounts are in EUR thousand unless otherwise stated)

Group	Notes	Equity attributable to shareholders of the parent company							
		Issued capital	Revaluation reserve	Legal reserve	Other reserves	Retained earnings	Subtotal	Non-controlling interest	Total
Balance as at 1 January 2024		**189,631**	**26,504**	**14,341**	**38,993**	**25,874**	**295,343**	**12,546**	**307,889**
Comprehensive income (expenses)									
Net profit for the reporting period		-	-	-	-	53,401	53,401	1,486	54,887
Other comprehensive income		-	(299)	-	-	-	(299)	(7)	(306)
Total comprehensive income for the period		-	**(299)**	**-**	**-**	**53,401**	**53,102**	**1,479**	**54,581**
Transfer of revaluation reserve relating to depreciation and derecognition of assets	18	-	(2,587)	-	-	2,587	-	-	-
Transactions with owners in their capacity as owners									
Transfers to/from reserves	19	-	-	3,699	(9,957)	6,258	-	-	-
Dividends	20	-	-	-	-	(196)	(196)	(1,505)	(1,701)
Changes in non-controlling interest due to acquisitions of subsidiaries		-	-	-	-	-	-	424	424
Total transactions with owners in their capacity as owners		**-**	**-**	**3,699**	**(9,957)**	**6,062**	**(196)**	**(1,081)**	**(1,277)**
Balance as at 31 December 2024		**189,631**	**23,618**	**18,040**	**29,036**	**87,924**	**348,249**	**12,944**	**361,193**
Balance as at 1 January 2025		**189,631**	**23,618**	**18,040**	**29,036**	**87,924**	**348,249**	**12,944**	**361,193**
Comprehensive income							-		-
Net profit for the period		-	-	-	-	36,920	36,920	855	37,775
Other comprehensive income (expenses)		-	(256)	-	-	-	(256)	(7)	(263)
Total comprehensive income for the period		**-**	**(256)**	**-**	**-**	**36,920**	**36,664**	**848**	**37,512**
Transfer of revaluation reserve relating to depreciation and derecognition of assets	18	-	(1,944)	-	-	1,944	-	-	-
Transactions with owners in their capacity as owners									
Transfers to/from reserves	19	-	-	2,213	43,554	(45,767)	**-**	**-**	**-**
Dividends	20	-	-	-	-	(393)	**(393)**	(982)	**(1,375)**
Transactions with non-controlling interests	9	-	-	-	-	-	**-**	35,828	**35,828**
Total transactions with owners in their capacity as owners		**-**	**-**	**2,213**	**43,554**	**(46,160)**	**(393)**	**34,846**	**34,453**
Balance as at 31 December 2025		**189,631**	**21,418**	**20,253**	**72,590**	**80,628**	**384,520**	**48,638**	**433,158**

Company	Notes	Issued capital	Legal reserve	Other reserves	Retained earnings	Total
Balance as at 1 January 2024		**189,631**	**2,524**	**50**	**30,001**	**222,206**
Net profit for the period		-	-	-	44,259	**44,259**
Total comprehensive income for the period		**-**	**-**	**-**	**44,259**	**44,259**
Transactions with owners in their capacity as owners						
Dividends	20	-	-	-	(196)	**(196)**
Transfers to reserves	19	-	1,241	28,564	(29,805)	-
Total transactions with owners in their capacity as owners		**-**	**1,241**	**28,564**	**(30,001)**	**(196)**
Balance as at 31 December 2024		**189,631**	**3,765**	**28,614**	**44,259**	**266,269**
Balance as at 1 January 2025		**189,631**	**3,765**	**28,614**	**44,259**	**266,269**
Net profit for the period		-	-	-	31,654	**31,654**
Total comprehensive income for the period		-	-	-	31,654	**31,654**
Transactions with owners in their capacity as owners						
Dividends	20	-	-	-	(393)	**(393)**
Transfers to reserves	19	-	2,213	41,653	(43,866)	-
Total transactions with owners in their capacity as owners		**-**	**2,213**	**41,653**	**(44,259)**	**(393)**
Balance as at 31 December 2025		**189,631**	**5,978**	**70,267**	**31,654**	**297,530**

The accompanying notes are an integral part of these financial statements.

11.4 Consolidated and the Company's statements of cash flows

FOR THE YEAR ENDED 31 DECEMBER 2025 (All amounts are in EUR thousand unless otherwise stated)

		Group		Company	
	Notes	2025	2024	2025	2024
Cash flows from operating activities					
Net profit		37,775	54,887	31,654	44,259
Adjustments for non-cash items:					
Depreciation and amortisation expenses	6,7,8	41,135	40,387	210	212
Impairment of property, plant and equipment	7	(17)	480	-	-
Impairment and write-off of property, plant and equipment and Intangible assets		1,225	216	-	-
Loss on impairment and write-off of inventories, trade receivables and other assets		631	749	-	-
Profit (loss) on disposal of property, plant and equipment		(524)	(383)	-	-
Income tax expense (benefit)	30	(6,949)	(6,053)	(557)	(961)
Decrease (increase) in provisions	28	(7,942)	3,686	-	-
Grant income (amortisation)	21	(4)	-	-	-
Elimination of other non-cash items		370	-	-	-
Other gain / losses		(178)	(499)	-	-
Elimination of results of financing and investing activities:					
Dividend income	34	-	-	(37,573)	(50,632)
Finance costs, net	33	651	99	1,447	2,669
Elimination of share of results of associates	9	(3,476)	(4,305)	-	-
Changes in working capital:					
(Increase) decrease in trade receivables and other financial and non-financial assets		(4,961)	(20,020)	318	(246)
(Increase) decrease in inventories, prepayments and deferred expenses		(2,895)	956	(34)	27
Increase (decrease) in trade payables, grants and other financial and non-financial liabilities		(16,485)	43,890	102	131
Changes in other financial assets		(582)	1,155	-	-
Income tax received (paid)		(569)	(17)	930	50
Net cash flows from operating activities		**37,205**	**115,228**	**(3,503)**	**(4,491)**
Acquisition of property, plant and equipment and intangible assets	6,7,21,25,26	(226,468)	(188,198)	(56)	(38)
Disposal of property, plant and equipment and intangible assets		524	338	-	-
Disposal of associate	10	3,824	-	-	-
(Acquisition) of associates, joint ventures and subsidiaries	9	(73,056)	-	(36,315)	(953)
Grants received	21	2,547	86,142	-	-
Congestion management funds received	27	64,414	135,670	-	-
(Intercompany) loans (granted) recovered		-	-	(43,671)	12,305
Dividends received	9,34	3,698	2,907	37,573	50,632
Acquisition of short-term financial investments	24	(130,000)	(680,802)	(130,000)	(674,987)
Disposal of short-term financial investments	24	210,815	539,987	205,000	539,987
Interest received		4,518	5,764	5,857	7,927
Net cash flows used in investing activities		**(139,184)**	**(98,192)**	**38,388**	**(65,127)**
Loans received	24	36,813	-	36,813	-
Repayment of borrowings	24	(11,789)	(12,061)	3	-
Loans received (repaid) (intercompany)	24	-	-	(112,198)	76,427
Repayment of lease liabilities	24	(2,607)	(2,258)	(157)	(149)
Bank overdraft		-	(17,981)	-	(17,981)
Interest paid	24	(5,243)	(5,349)	(7,956)	(9,707)
Dividends paid		(1,293)	(1,596)	(392)	(196)
Transactions with non-controlling interests	9	35,829	459	-	-
Other cash flows from financing activities		-	76	-	-
Cash flows from/used in financing activities		**51,710**	**(38,710)**	**(83,887)**	**48,394**
Increase (decrease) in cash and cash equivalents		**(50,269)**	**(21,674)**	**(49,002)**	**(21,224)**
Cash and cash equivalents at the beginning of the year		101,562	123,236	98,791	120,015
Cash and cash equivalents at the end of the period		**51,293**	**101,562**	**49,789**	**98,791**

The accompanying notes are an integral part of these financial statements.

11.5 Notes to the consolidated and the Company's financial statements

FOR THE YEAR ENDED 31 DECEMBER 2025

1. General Information

EPSO-G UAB (hereinafter the "Company") is a private limited liability company registered in the Republic of Lithuania. Registered office address:Laisvės ave. 10, Vilnius, Lithuania. EPSO-G UAB (hereinafter "EPSO-G" or the "Company") is a profit-seeking limited civil liability entity registered on 25 July 2012 with the Register of Legal Entities, company code 302826889.

EPSO-G UAB is the parent company responsible for the activities of the group companies by ensuring the uninterrupted, stable transmission of electricity over high voltage networks and transportation of natural gas via high pressure gas pipelines, as well as by ensuring the management, maintenance and development of these transmission systems and organisation of trade on the natural gas and biofuel exchanges; installation and management of electricity storage facilities operating as the primary capacity reserve and ensuring reliable, stable and consumer-focused operation of the Lithuanian electricity system.

EPSO-G provides management services to its subsidiaries. The purpose of the provision of management services is to increase the efficiency of operations of the EPSO-G group companies, optimise the use of resources, and implement uniform standards of operations. These services are provided in accordance with the agreements concluded through a public procurement process.

As at 31 December 2025 and 2024, the Company's issued capital consisted of 653,900,000 ordinary registered shares with the nominal value of EUR 0.29 each. All shares were held by the Company's sole shareholder – the Republic of Lithuania represented by the Ministry of Energy of the Republic of Lithuania.

As at 31 December 2025 and 2024, all shares of the Company were fully paid.

The Company's shareholder	31/12/2025		31/12/2024	
	Issued capital, EUR	%	Issued capital , EUR	%
Republic of Lithuania represented by the Ministry of Energy of the Republic of Lithuania	189 631 000	100	189 631 000	100

The Company's management approved these financial statements on 16 March 2026. The shareholder of the Company has a statutory right not to approve these financial statements and require that the management prepares a new set of financial statements.

As at 31 December 2025, the EPSO-G Group had 1,396 employees (as at 31 December 2024, 1,353 employee), and the Company had 87 employees (as at 31 December 2024, 78 employees).

The EPSO-G Group consists of the Company, directly and indirectly controlled subsidiaries, associates and joint ventures, as listed below:

Company name	Registered office address	Ownership interest (%)		Profile of activities
		31/12/2025	31/12/2024	
SUBSIDIARIES				
LITGRID AB	Karlo Gustavo Emilio Manerheimo st. 8, Vilnius, Lithuania	97.5	97.5	Electricity transmission system operator
AB Amber Grid	Laisvės ave. 10, Vilnius, Lithuania	96.6	96.6	Natural gas transmission system operator
BALTPOOL, UAB	Žalgirio st. 90, Vilnius, Lithuania	67.0	67.0	Operator of the exchange for trading in energy resources (biomass products), the administrator of PSO funds
TETAS UAB	Senamiesčio st. 102B, Panevėžys, Lithuania	100	100	Transformer substation, distribution station and electricity line design, construction, reconstruction and maintenance services
Energy Cells UAB	Ozo st. 12A-1, Vilnius	100	100	Management of the electricity storage system
UAB EPSO-G Invest	Laisvės ave. 10, Vilnius	51.0	51.0	Management of the project for investments into artillery shell manufacturing
ASSOCIATES				
UAB „GET Baltic“(investment through AB „Amber Grid“)	Geležinio Vilko st. 18A, Vilnius, Lithuania		34.0	Organisation of trading on the natural gas exchange
„TSO Holding“AS	Lilleakerveien 2A, 0283 Oslo, Norway	39.6	39.6	Holding company holding a minority interest in equities of the electricity exchange operator and the market coupling operator
Rheinmetall Defence Lietuva, UAB	Jonavos dist. mun. Ruklos eld., Jonalaukis vlg.1	24,5*	24,5*	Artillery shell manufacturing and sale
JOINT VENTURES				
„Baltic RCC“ OÜ	Kadaka tee 42 12915 Tallinn Eesti	33.33	33.33	Provision of services ensuring safety and reliability of the electricity system and coordination between the transmission network operators of the Baltic region

* The effective ownership interest in associate was estimated taking into account 51% ownership interest held by the Company in EPSO-G Invest, which holds 48% ownership interest in the associate Rheinmetall Defence Lietuva, UAB (hereinafter “RDL”). Investments in subsidiaries are described in more detail in Note 9, and in associates in Note 9.

2. Material accounting policies

The Group’s and the Company’s financial statements for the year ended 31 December 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The financial statements have been prepared on a historical cost basis, except for property, plant and equipment which is recorded at revalued amount, less accumulated depreciation and estimated impairment loss and derivatives accounted for at fair value.

Amounts in these financial statements are presented in thousands of euro (EUR), unless otherwise stated.

The financial year of the Company and other Group coincides with the calendar year.

2.1. Basis of preparation

The accounting policies applied in the preparation of the financial statements are consistent with those of the previous financial year, except as follows:

(a) Adoption of new and/or amended IFRSs and interpretations of the International Financial Reporting Interpretations Committee (IFRIC)

In the year ended 31 December 2025, the following IFRSs, amendments and IFRIC interpretations were adopted by the Company:

Amendments to IAS 21 Lack of Exchangeability (issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences.

Based on the Group's and the Company's assessment, these amendments have no significant impact on the financial statements.

(b) Standards, amendments and interpretations endorsed by the European Union, but have not been early adopted by the Company and the Group:

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

Based on the Group's and the Company's assessment, these amendments have no significant impact on the financial statements.

Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (issued on 18 December 2024 and effective for annual periods beginning on or after 1 January 2026). The IASB issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB issued the related amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments. Disclosure. The targeted amendments include: (a) clarifying the application of the 'own-use' requirements; (b) permitting hedge accounting if these contracts are used as hedging instruments; and (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Based on the Company and the Group management's assessment, these amendments have no significant impact on these financial statements.

IFRS 18 Presentation and Disclosures in Financial Statements (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures);
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

The Group's and Company's management is currently assessing the impact of IFRS 18 on the financial statements.

2.2. Basis of consolidation

Subsidiaries

Subsidiaries are consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases. All intercompany transactions, balances and unrealised gains or losses on transactions between the Group companies are eliminated.

The consolidated financial statements of the Group include EPSO-G and its subsidiaries. The financial statements of subsidiaries have been prepared using uniform accounting policies and for the same reporting period as that covered by the financial statements of the parent company.

Investments in associates and joint ventures

An associate is an entity over which the Group/Company has significant influence but no control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence generally accompanies a shareholding of between 20% and 50% of the voting rights.

In the consolidated financial statements, associates are accounted for using the equity method of accounting. Under the equity method, investments in associates or joint ventures are initially recognised at cost, and the carrying amount is subsequently increased or decreased by the post-acquisition change in the Group's share of the associate's and joint venture's net assets, less any impairment of investments.

The Group's share of the acquired associate's post-acquisition profits or losses is recognised in profit or loss in the statement of comprehensive income, and the Group's share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The carrying amounts of investments in associates are adjusted by these amounts.

Goodwill related to investments in associates is included in the carrying amount of the investment and it is evaluated for impairment as the part of the investment.

Losses of an associate in excess of the Group's interest in that associate/joint venture, including any other unsecured receivables, are not recognised, unless the Group had incurred legal or constructive obligations or made payments on behalf of the associate.

Unrealised gain on transactions between the Group and associates is eliminated to the extent of the Group's interest in the associate. Unrealised loss is also eliminated unless the transaction provides evidence of an impairment of assets transferred.

If the Group's ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Gains and losses on decrease in ownership interest in an associate are recognised in the statement of comprehensive income

2.3. Investments in subsidiaries and associates in the Company's separate financial statements

In the parent company's financial statements, investments in subsidiaries are stated at cost less impairment, where the investment's carrying amount in the parent's statement of financial position exceeds its estimated recoverable amount.

2.4. Property, plant and equipment and intangible assets

Property, plant and equipment

All property, plant and equipment is shown at revalued amounts, based on periodic (at least every 5 years) property valuations, less the amounts of accumulated depreciation, recognised grants and impairment losses.

Any accumulated depreciation and impairment losses at the date of revaluation are eliminated against gross carrying amount of the asset and net amount is restated to the revalued amount of the assets.

Increases in the carrying amount arising on the first revaluation of property, plant and equipment are credited to the revaluation reserve directly in equity and decreases are recognised in profit or loss. Decreases in the carrying amount arising on the subsequent revaluation of property, plant and equipment that offset previous increases of the same asset are charged against revaluation reserve directly in equity, and all other decreases are charged to the profit and loss account. Revaluation increases in the value of property plant and equipment that offset previous decreases are recognised in profit or loss.

All other increases in the carrying amount arising on subsequent revaluations of property, plant and equipment are credited to revaluation reserve. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income and depreciation based on the asset's original cost is transferred from revaluation reserve to retained earnings taking into account the effect of deferred income tax. After the sale or write-off of a property unit, any balance of the revaluation reserve related to this property is transferred to retained earnings.

Interest on targeted and general loans and other borrowing costs (such as the bank's administration fee, etc.) are included in the acquisition cost of property, plant and equipment, if they are directly attributable to the acquisition of a qualifying asset. A qualifying asset is an asset that is developed on the basis of a project with the value of not less than EUR 1 million and that necessarily takes no less than 12 months to get ready for its intended use or sale. Borrowing costs that are attributable to the acquisition of a qualifying asset are capitalised as part of the cost of that asset. The capitalisation of borrowing costs is started when costs related to the production or acquisition of the qualifying asset are incurred (a prepayment is made or a payment for works is made according to the signed statement on the works carried out and their respective value) and ended when all the activities necessary for the preparation of the qualifying asset for its intended use or sale are substantially complete (a statement on the recognition of the construction as fit for use

is signed). While determining the amount of borrowing costs eligible for the capitalisation of costs incurred in the acquisition of qualifying assets, the capitalisation rate is applied.

Variable payments that depend on future factors are not accounted for in the cost of property, plant and equipment nor liabilities, when the assets are ready for use in the manner intended by management. When, due to uncertainty, the fair value of the variable payments cannot be measured reliably at the time property, plant and equipment is recognised and the information about the value of the liabilities becomes available at a later date, the variable payment is recognised in profit or loss when the information about the value of the liability becomes available.

Prepayments for non-current assets are classified as non-current assets because they are used in long-term activities and are presented in the balance sheet line item “construction work in progress”.

Construction work in progress represents property, plant and equipment under construction. The cost of such assets includes design, construction works, plant and equipment being installed, and other directly attributable costs.

Property, plant, and equipment is recorded at acquisition (production) cost, less grants received/receivable for the acquisition of property, property, plant, and equipment. Grants comprise financing from the EU support funds, a portion of congestion management revenue designated for the financing of investments, payments for the expenses incurred during the connection of producers to the transmission network and performance of works for the relocation/reconstruction of the transmission network’s installations initiated by customers.

Intangible assets

Intangible assets are initially recognised at cost. Intangible assets are recognised only if they are expected to provide economic benefit to the Group and the Company in future periods and their cost can be measured reliably.

After initial recognition, intangible assets are carried at cost, less accumulated amortisation and accumulated impairment losses, if any.

Depreciation and amortisation

Depreciation/amortisation of property, plant and equipment and intangible assets, except land, construction work in progress and statutory servitudes, is calculated using the straight-line method over estimated useful lives of the asset. The estimated useful lives, residual values and depreciation/amortisation method are reviewed at each year-end to ensure that they are consistent with the expected pattern of economic benefits from these assets. The effect of changes in estimates, if any, is accounted for on a prospective basis.

Estimated useful lives of property, plant and equipment and intangible assets are as follows:

Categories of property, plant and equipment and intangible assets	Useful lives (in years)
Buildings	20–75
Structures and equipment	18–70
Plant and machinery	5–35
Vehicles	4–10
Other property, plant and equipment	3–10
Intangible assets, whereof:	3–4
Statutory servitudes and protection zones of the transmission network	Not subject to amortisation

Statutory servitudes and protection zones have an indefinite useful life because the right to use protection zones on the basis of servitude is unlimited in time.

Profit or loss resulting from sale of non-current assets is calculated as the difference between the proceeds from sale and the net book amount of the disposed asset and is recognised in profit or loss in the reporting year.

Subsequent repair costs are included in the asset’s carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are recognised as expenses in profit or loss in the period in which they are incurred.

2.5. Impairment of property, plant and equipment and intangible assets

At each reporting date, the Group and the Company review the carrying amounts of their property, plant and equipment and intangible assets to determine whether there are any indications that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable value is the higher of an asset’s fair value less costs to sell and the value in use. In assessing the value in use, the expected future cash flows are discounted to their present value using the discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable value. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a decrease of revaluation reserve.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as an increase in revaluation reserve (without exceeding the amount of previous impairment).

Each year, the Group and the Company estimate the recoverable amount of intangible assets with the indefinite life in order to estimate the impairment of such assets (if any).

2.6. Right-of-use assets

Right-of-use assets are assets that the Group and the Company have the right to manage during the lease term. The Group and the Company recognise right-of-use assets for all types of leases, including the lease of a right-of-use asset in case of sublease, but excluding leases of intangible assets, short-term leases and leases of low value assets.

Initial measurement of right-of-use assets

At the commencement date, the Group and the Company measure right-of-use assets at cost, which consists of: the present value of the initial measurement of the lease liability, initial costs incurred directly attributable to the underlying asset, any lease payments at the commencement date, less any lease incentives.

Subsequent measurement of right-of-use assets

After the initial recognition, the Group and the Company apply a cost method for right-of-use assets: the carrying amount of the asset at the respective date is calculated as the difference between the acquisition cost and the accumulated depreciation, plus any subsequent adjustments for the remeasurement of lease liability.

The calculation of depreciation of right-of-use assets is started from the date on which the assets are transferred for the use (the commencement date) until the earlier of these dates: the end of the lease term and the end of the useful life.

The Company calculates depreciation of right-of-use assets using the following rates:

Land*	99 years
Buildings	2- 10 years
Vehicles	2 - 4 years
Other property, plant and equipment	2 -3 years

* The Group applies the portfolio method for the land lease agreements concluded with the municipalities not by auction, i.e. a set of the agreements of a respective Group company is accounted for as a single agreement due to similar criteria. Regardless of the remaining term of the land lease agreement, in accordance with the requirements of the legal acts, the agreements must be extended for as long as the facilities of the Group companies exist on the land plots. When assessing the flow generated by the infrastructure assets of the Group companies (for the calculation of the recoverable amount of assets), an infinite flow is projected as the ongoing reconstruction and repair works allow using the assets for a longer period than the established original depreciation rates. For this reason, the lease of land is subject to a substantially infinite rate corresponding to the original term of the agreement – 99 years.

2.7. Inventories

Inventories are initially recorded at acquisition cost. Subsequent to initial recognition, inventories are stated at the lower of cost and net realisable value. Acquisition cost of inventories includes acquisition price and related taxes that are not subsequently recovered from tax administration authorities and costs associated with bringing inventory into their current condition and location. The acquisition cost of inventories (other than natural gas) is determined on the first-in, first-out (FIFO) basis. The cost of the remaining amount of natural gas is determined using the weighted average cost. Inventories that are no longer expected to be realised are written off. Net realisable value is the estimated selling price, less the estimated costs of completion and selling expenses.

2.8. Financial assets and liabilities

Financial assets

The Group and the Company recognise a financial asset when they become a party to the contractual provisions of the instrument. Purchases and sales of financial assets are recognised using trade date accounting.

Classification and measurement

On initial recognition, financial assets are classified based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the asset. Financial assets are classified into the following categories:

- Amortised cost – held to collect contractual cash flows that are solely payments of principal and interest (SPPI);
- Fair value through other comprehensive income (FVOCI) – held to both collect contractual cash flows (SPPI) and sell; or
- Fair value through profit or loss (FVTPL) – all other financial assets or those designated as such.

Initial measurement

Financial assets are initially measured at fair value plus transaction costs directly attributable to acquisition, except for FVTPL assets where transaction costs are expensed. Trade receivables without a significant financing component are measured at their transaction price.

Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest method, less expected credit losses. The Group's trade receivables, loans, and cash equivalents are measured at amortised cost.

Expected credit losses

The Group and the Company seek to recognise the expected credit losses for the period before the financial instrument becomes past due. Normally, credit risk increases significantly before a financial instrument becomes past due or other delay factors are observed from the debtor (such as restructuring, bankruptcy, other economic difficulties of a client, etc.). Therefore, if there is a considerable amount of cost or effort to obtain reasonable and reliable information that is more forward-looking than past due payments, it should be based on the assessment of credit risk changes.

Expected credit losses are recognised based on individually or collectively assessed credit risk of loans and trade receivables, the assessment of which is based on all reasonable and supportable information, including forward-looking information.

Lifetime expected credit losses of trade receivables are assessed taking into consideration the level of credit risk. The individual assessment basis is applied to debts with a high level of credit risk concentration or when there is a significant increase in the probability of credit losses. During the individual assessment, information on the credit history of a particular borrower, its financial position as at the date of assessment is analysed, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling making judgement on the recognition of lifetime expected credit losses in respect of that particular borrower.

Lifetime expected credit losses for loans receivable and trade receivables are accounted for through profit or loss using the contra account for doubtful receivables.

Loans receivable and trade receivables are written off when the Group and the Company lose the right to the contractual cash flows from the financial assets.

Financial liabilities, borrowings

Financial liabilities are recognised initially at fair value, less transaction costs.

In subsequent periods, financial liabilities are measured at amortised cost using the effective interest rate method. Interest expenses are recognised using the effective interest method.

If a financing agreement concluded before the date of the statement of financial position proves that the liability was non-current as of the date of the statement of financial position, such financial liability is classified as non-current.

Trade payables

Trade payables represent commitments to pay for goods and services acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if the term of their settlement is less than one year; otherwise, they are included in non-current liabilities.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.9. Grants

Grants are recognised when there is a reasonable assurance that the grant will be received and the Group entity will comply with all the conditions attaching to it.

Asset-related grants

The government and the EU grants received in the form of non-current assets or designated for the purchase of non-current are treated as asset-related grants. These grants are accounted for by reducing by the carrying amount of respective property, plant and equipment. For the purpose of the statement of comprehensive income, grants are recorded by reducing the depreciation charge of the related asset over the expected useful life of the asset.

Public service obligations (PSO) funds allocated to the Group for the preparation and implementation of the strategic projects and a portion of congestion management revenue, which is used to finance investments agreed with the National Energy Regulatory Council (hereinafter the "Council"), are recognised as asset-related grants.

Grants received in advance related to the acquisition of non-current assets are stated as non-current liabilities until the moment of acquisition of such assets.

Grants receivable are included in other receivables when the agreement whereby the European Commission commits to finance the strategic projects provides firm evidence confirming that the financing will be received.

Income-related grants

Government and the European Union grants received as a compensation for the expenses or unearned income of the current or previous reporting period, also, all the grants, which are not grants related to assets, are considered as grants related to income. Income-related grants are recognised as used in parts to the extent of the expenses incurred during the reporting or prior periods or unearned income to be compensated by that grant.

Income-related grants are recognised in profit or loss by increasing other income over the period in which the grant is received or when there is reasonable assurance that the grant will be received and that the Company/the Group complies with the conditions for the allocation of the grant established in the grant agreement.

2.10. Provisions

Provisions are recognised when the Group and the Company have a legal obligation or constructive commitment as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of provision is discounted using the effective pre-tax discount rate set based on the interest rates for the period and taking into account specific risks associated with the provision as appropriate. Where discounting is used, the increase in the provision due to the passage of time is recognised as borrowing costs. This increase is recognised as borrowing cost.

2.11. Employee benefits

Pension benefits to employees of retirement age

According to the legal acts of the Republic of Lithuania, each employee leaving the Group and the Company at the retirement age is entitled to a one-off benefit. Employee benefit liability is recognised in the balance sheet and it reflects the present value of these benefits at the reporting date. The non-current liability for payments to employees at the date of the financial statements is estimated with reference to actuary valuations using the projected unit credit method. The present value of the defined non-current liability for payments to employees is determined by discounting the estimated future cash flows using the effective interest rates as set for government debentures denominated in a currency in which payments to employees are expected to be made and with maturity similar to that of the related liability.

2.12. Lease liabilities

The Group and the Company as the lessees

Initial measurement of lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the incremental borrowing rate.

The incremental borrowing rate is determined by the rate at which the Group and the Company would be able to borrow funds for the purpose of acquiring certain assets for a respective period.

At the commencement date, the lease payments included in the measurement of lease liability comprise the following payments:

- fixed payments less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable by the Group and the Company under residual value guarantees;

- the exercise price of the purchase option, if exercise of that option by the Company is reasonably certain;
- fines for the termination of the lease, if it is assumed that the Group and the Company will exercise the option to terminate the lease during the lease term.

Subsequent measurement of lease liability

Subsequent to initial recognition, changes in the value of the Group's and the Company's lease liability are reflected by:

- increasing the value of the liability by the amount of interest charged;
- reducing the carrying amount by the lease payments made;
- remeasuring the liability for lease modifications or revised payments.

The Group and the Company classifies assets as right-of-use assets by recognising under non-current assets in the statement of financial position, if the asset and lease contract meet all of the following criteria:

- the lease is not a short-term (12 months or more) or short-term lease with a purchase option;
- value of the leased item or group of items/underlying asset is not less than EUR 4,000 and therefore does not qualify as a lease of a low-value asset;
- if the contract conveys the right to control the use of an identified asset for a period of time, i.e. to obtain economic benefits from use of the identified asset and to direct the use of the identified asset.

The Group and the Company present lease liabilities separately from other liabilities in the statement of financial position. Interest expense on the lease liability is presented separately from the depreciation charge for the right-of-use assets. The interest expense on the lease liability is a component of finance costs recognised in the statement of comprehensive income.

2.13. Revenue recognition

Revenue from contracts with customers

The Group's revenue is recognised according to a single, principles based five-step model that is applied to all contracts with customers. The Group recognises revenue from the provision of services in the reporting period during which the performance obligation is satisfied, i.e. the control of services or goods is transferred to the customer. This control may be transferred over time or at a point in time. For certain service contracts, revenue is recognised on the basis of the actual service provided before the end of the reporting period as part of the total services to be provided, as the customer benefits from and uses the services simultaneously.

Revenue from electricity transmission and related services

Revenue from contracts with customers comprises revenue from electricity transmission, ancillary services, trade in imbalance and balancing electricity and revenue from connection of new consumers and other related revenue.

Revenue from electricity transmission is revenue for the transmission of electricity via high-voltage facilities from producers to transmission network users, within the limit set by the agreement and calculated on the basis of monthly transmission reports with network users Prices of the electricity transmission services are regulated by the Council which establishes the upper limits of the prices for the transmission service. Specific prices and tariffs for the transmission services are established by the Group transmission systems operator's Board within the limits approved by the Council. When establishing prices for the next year, deviations of the current year (the year not yet ended) and deviations of the previous year (the year that already ended) and various forecasts for the upcoming year are assessed, i.e. they increase or decrease the prices for the next year, i.e. the prices are not adjusted retrospectively. All possible price adjustments in the future periods for excess profit/higher loss incurred in the previous/current years are not treated as a variable part of the price under IFRS 15. Such decrease (due to excess profit earned) or increase (due to higher expenses incurred) in future revenue does meet the general accounting criteria for the recognition of liabilities or assets because it depends on the Group's operations in the future and is treated as the regulated assets or liabilities and therefore, in the opinion of the Group's management, it does not fall within the scope of IFRS 15.

Revenue from ancillary services is revenue for capacity reservation and non-frequency regulation services provided to transmission network users, ensuring reliable system operation, accounted for based on monthly transmission act data with network users. The Group purchases ancillary services from service providers (majority from producers), and subsequently provides these services to distribution system operators and other transmission network users (electricity consumers and producers) at prices set by VERT (National Energy Regulatory Council). The Group recognizes revenue on a gross basis, as it acts as the principal provider of ancillary services when delivering these services. The main sale contracts are signed for the term of one year and coincide with the reporting period. All subsequent value adjustments for previous periods are not made, and contract modifications are rare.

Revenue from trade in imbalance and balancing electricity is revenue for electricity energy provided to balance generation/import and demand/export, accounted for based on monthly balancing and imbalance act data with balancing service providers and balance responsible suppliers.

In the accounting policy for balancing and imbalance transactions, the Groups's management made a significant judgment by determining that in balancing and imbalance electricity transactions, the Group acts in principal in accordance with IFRS 15, therefore income and expenses are recognized at gross value. It was also assessed that these transactions are concluded for the purpose of physically supplying electricity for the Group's ordinary activities and do not meet the definition of derivatives in accordance with IFRS 9. This accounting judgment has a significant impact on the recognition and presentation of income and expenses in the financial statements.

Revenue from natural gas transmission and related services

Revenue from system users for the natural gas transmission service is recognised on a monthly basis with reference to the available data on the natural gas quantities distributed to the system users connected to the distribution system and on the statements of transmitted natural gas signed with the system users, which are directly connected to the transmission system.

Revenue from natural gas transmission system balancing services consists of operational balancing revenue, transit flow balancing revenue, and system users balancing revenue.

In providing operational balancing and transit flow balancing services, the Group acts as principal. Acting as a principal is explained by the Group having control over the balancing gas before it is transferred, bearing inventory risk for gas volumes held in the system, having discretion in selecting balancing service providers, and retaining primary responsibility for ensuring the physical balance of transit flows across interconnection points.

In providing system user's balancing services, the Group acts as an agent and reports net result of balancing gas sales and purchases and neutrality charge income and expenses. Acting as an agent in balancing gas purchase/sale transactions is explained by limited control of the balancing services and purchases of gas, absence of economic benefits, no discretion in establishing the price for the balancing services since the pricing is governed by law, inability to regulate demand, no discretion in choosing a counterparty. In addition, the activities of the Group's TSO are not associated with trade in natural gas.

Revenue from construction, repair and technical maintenance services

Performance obligations arising from operation (repair and technical maintenance) contracts satisfy at least one of the following criteria for revenue recognition over time: a) the customer simultaneously receives and benefits from the service provided by the Group under this contract; b) the Group creates or improves an asset that the customer controls while the asset is being created or improved; or c) the Group does not create an asset that could be used alternatively and has an enforceable right to receive payment for the performance completed to a certain date

In contracts with customers where customers may apply default interest for delays in contract performance and deduct these amounts directly from payables for services, the Group considers whether the Group's sales revenue should be reduced by a corresponding amount. In the event of expected/projected delays in projects, the Group assesses the amount of default interest the Group may be able to challenge before the customer (where the delays are related to third-party influence) and the amount of residual risk that remains with the Group. This remaining amount is assessed through project management processes and integrated into the process of updating project budgets.

Revenue from the biofuel exchange, thermal energy auctions, PSO and Emergency intervention funds administration

Biofuel trade transactions are made among the exchange participants, and the settlements among the participants are made directly. Fees approved by NERC for trade on the biofuel exchange are recognised by the Group as revenue. Such revenue is recognised at a point in time when the transaction is conducted.

Collected commissions according to the fees approved by the Group and agreed with NERC are recognised by the Group as revenue from the organisation of the timber auctions. Such revenue is recognised at a point in time when the transaction is conducted.

Collected commissions from the participants for actually conducted transactions according to the fees approved by the Group are recognised by the Group as revenue from the organisation of the thermal energy auctions. Such revenue is recognised at a point in time when the transaction is conducted.

When performing the function of the PSO funds and Emergency intervention administrator, the Group recognises as revenue only PSO funds allocated to the Group by NERC to cover PSO funds administration expenses.

Management services

The Company provides management services to its subsidiaries. The control of management services is transferred over time and, therefore, the Company satisfies a performance obligation, and revenue is recognised over time. The Company has concluded that it is the principal in its revenue arrangements For measuring a progress towards a complete satisfaction of a performance obligation, the Company applies a practical expedient allowed by IFRS 15. As the parent company has a right to a consideration from a customer in an amount that corresponds directly with the value to the customer of the performance completed to date, the parent company recognises

revenue in the amount to which it has a right to invoice. The Company bills a fixed amount for each hour of service provided. The payment term is 30 days from the date of invoice issued for the services rendered in the past month. The contract has no significant financing component as there is no significant length of time between the payment and the transfer of services.

2.14. Interest income

Interest income is recognised on the accrual basis taking into consideration the outstanding balance of debt and the applicable interest rate. Interest received is recorded in the statement of cash flows as cash flows from investing activities.

2.15. Dividend income

Dividend income is recognised when the right to receive dividend payment is established.

2.16. Income from other (non-operating) activities

Gain on disposal of property, plant and equipment, lease income, income from default charges and fines collected from the contractors as a result of late fulfilment of works, including property, plant and equipment under construction, are recognised by the Company as other income.

Default charges and fines collected from contractors as a result of late fulfilment of works are calculated upon the completion of a project or a stage thereof and upon notifying the supplier:

- Where the penalty amount is certain and agreed, it is deducted from the cost of the related property, plant and equipment and offset against amounts payable to the supplier.
- Where the penalty amount is contingent or disputed, it is recognised in profit or loss when the uncertainty is resolved, consistent with the Group's accounting policy on variable payments.

In case of a legal dispute over the amount of default charges or fines and when it is more likely than unlikely that the amounts will be reduced or annulled, provisions are recognised

2.17. Congestion management funds/liabilities

The Group's electricity transmission operator acquires the right to congestion management revenue when different electricity market prices occur in Lithuania, Sweden, Poland and Latvia as a result of insufficient capacity of electricity lines. Revenue that was received as a result of price differences at different bidding areas is distributed equally by the power exchange operator (Nord Pool AS) to the transmission system operators of the countries operating the interconnections.

Regulation (EU) No 2019/943 of the European Parliament and of the Council of 5 June 2019 on conditions for access to the network for cross-border exchanges in electricity stipulates that congestion management revenue may be used in the following order of priority:

- When revenue is used for guaranteeing availability of the allocated capacity of the interconnections, it is recognised as income in the period during which the related expenses are incurred. In case of unplanned disconnection of the electricity interconnection and when the trade in the interconnection's capacities has already been completed at the electricity exchange (i.e. when they have already been allocated), the operators of the line ensure that the capacities traded are available to the market participants. In such a case, the operators incur costs that arise as a result of the price difference between the price of electricity traded by the operators and the price of balancing and/or imbalance electricity purchased/sold by the Company.
- When revenue is used for maintaining or increasing the interconnections' capacities, congestion management revenue is accounted for using the accounting policies applicable to grants, i.e. initially congestion management revenue is recognised as liability and recorded by reducing the value of the asset concerned, and subsequently it is recognised by reducing depreciation expenses of the related asset over the useful life of that asset.
- When revenue is used for reducing the tariff, revenue is recognised as income in the period during which the Company generates lower revenue due to lower tariffs and only in case when revenue cannot be efficiently used for the purposes set out in points (a) and/or (b). Subject to approval by the regulatory authorities of the Member States concerned, they may be used, up to a maximum amount to be decided by those regulatory authorities, as income to be taken into account by the regulatory authorities when approving the methodology for calculating network tariffs and/or fixing network tariffs.

In the statement of financial position, unused congestion management revenue is presented as non-current and current liabilities.

2.18. Income tax

Income tax expense comprises the current income tax and deferred tax expense (income). Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case income tax is also recognised in other comprehensive income or directly in equity.

Income tax

Income tax expenses for the current year are calculated on the current year profit before tax, as adjusted for certain non-deductible expenses/non-taxable income. Income tax is calculated using the tax rate effective as at the date of issue of the financial statements. Income tax rate was 16% in 2025. The corporate income tax rate of 17% is applied as of 2026.

The tax losses can be carried forward for indefinite period, except for the losses incurred as a result of disposal of securities and/or derivative financial instruments. Such carrying forward is disrupted if the Group changes its activities due to which these losses were incurred, except when the Group does not continue its activities due to reasons which do not depend on the Group itself. The losses from disposal of securities and/or derivative financial instruments can be carried forward for five consecutive years and only be used to reduce the taxable income earned from the transactions of the same nature. Tax losses carried forward can be used to reduce the taxable income earned during the reporting year by a maximum of 70%.

In accordance with the provisions of the legal acts, the Group companies transfer tax losses to other companies of the Group for a fee equal to 16% (until 2025) of the amount of tax losses.

The Group companies are entitled to tax reliefs for investments in qualifying assets. The Group accounts for such reliefs as tax credits, which means that the reliefs reduce the amount of tax payable and the current year's tax expenses.

Deferred tax

Deferred taxes are calculated using the balance sheet liability method. Deferred tax assets and deferred tax liability are recognised for future tax purposes to reflect differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The Group also recognises deferred tax assets for accumulated tax credits – the amounts of the unused investment relief which are expected to reduce income tax liability in the future. Deferred tax liabilities are recognised for all temporary differences that will subsequently increase taxable profit, and deferred tax assets are recognised to the extent to which they are expected to reduce taxable profit in the future. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss.

Deferred tax assets are reviewed at each date of the financial statements and if it is not probable that the Group and the Company will generate sufficient taxable profit to realise these assets, they are reduced to the amount which is likely to reduce the taxable profit in future. Deferred tax assets and liabilities are estimated using the tax rate that has been applied when calculating income tax for the year when the related temporary differences are to be realised or settled.

Deferred tax assets and liabilities are offset only where they relate to income tax assessed by the same fiscal authority or where there is a legally enforceable right to offset current tax assets and current tax liabilities.

Current income tax and deferred income tax

Current income tax and deferred income tax are recognised as income or expenses and included in net profit or loss for the reporting period, except for the cases when tax arises from a transaction or event that is recognized directly in equity or in other comprehensive income, in which case taxes are also recorded in equity and other comprehensive income respectively.

2.19. Cash flows

The Group and the Company report cash flows using the indirect method. Reporting of cash flows from operating activities based on the indirect method means that net profit/(loss) for the reporting period is adjusted for the effects of non-cash transactions, changes in working capital, and items associated with investing or financing activities, to arrive at net cash flows from operating activities.. Cash inflows and outflows from investing and financing activities for the reporting period are presented separately unless cash flows are presented on a net basis.

For the purpose of the Group's and the Company's financial statements, dividends paid are reported as cash flows of financing activities, whereas dividends received are reported as cash flows of investing activities.

For the purpose of the Group's and the Company's financial statements, interest paid is reported as cash flows of financing activities, whereas interest received is reported as cash flows of investing activities.

3. Critical accounting estimates and judgements in applying accounting policies

The preparation of financial statements according to International Financial Reporting Standards requires management to make estimates and assumptions that affect the accounting policies applied, the reported amounts of assets, liabilities, income and expenses, and the disclosures of contingencies. Actual results may differ from those estimates. The significant management estimates and assumptions and the main sources for uncertainties used in the preparation of these financial statements that might cause substantial changes in the carrying amounts of the related assets and liabilities in the next financial year are presented below:

Property, plant and equipment fair value assessment

As described in Note 7, the Group verified property, plant and equipment for consistent with the fair value measurement as at 31 December 2025. The determination of the assets' fair value is mainly affected by assumptions used in assessing the transmission service income for the future periods. The assumptions used in determining the fair value of property, plant and equipment are described in more detail in the above-mentioned note.

Measurement of provisions

Provisions are reviewed by the Group at each date of the statement of financial position and adjusted to reflect the changes in circumstances and assumptions. If the amount of the provision is discounted, the amount reversed at each reporting period is equal to the discounting effect (interest expenses). If circumstance change and the provision is no longer necessary, the provision is reversed in the statement of profit or loss and other comprehensive income through the expense line item where it has been recorded initially at the time of establishment. The most significant provisions in the Group are provisions for litigations and claims. Information about the Group's provisions and their movements disclosed in Note 28.

Impairment testing of investments in subsidiaries

The Company records investments in subsidiaries at cost less impairment. The Company assesses at each annual reporting date whether there is any indication that investments may be impaired. If such indications exist, the Company calculates impairment as the difference between the subsidiary's carrying amount and its recoverable amount and records the result in profit or loss. The results of impairment tests for investments in subsidiaries are disclosed in Note 9.

Balancing and Imbalance Transactions

In selecting the accounting policy for balancing and imbalance transactions, the Group's management made a significant judgement by determining that the Group acts as a principal in balancing and imbalance electricity transactions in accordance with IFRS 15. Consequently, revenue and expenses are recognised on a gross basis. It was also assessed whether contractual volume flexibility and the ability to monetise excess quantities give rise to derivative financial instruments. These transactions are entered into for the purpose of physical delivery of electricity in the ordinary course of the Group's business and the relevant unit of account is considered to be the 15-minute imbalance settlement period (ISP). As imbalance volumes are determined only when an imbalance actually arises in a specific 15-minute interval and each imbalance is measured, priced, and settled separately for this ISP, there is no annual, monthly, or multi-interval flexibility that system users can exercise for each such unit of account. As the accounting unit is the 15-minute ISP, there is no volume flexibility at any moment or at the end of the year, and therefore no written option or other derivative feature exists within the balancing framework. Furthermore, balancing prices include no premium for flexibility and settlement is based on ISP-specific activation prices and neutrality component, therefore these contracts do not meet the definition of derivative financial instruments under IFRS 9. This accounting policy judgment has a significant impact on the recognition and presentation of revenue and expenses in the financial statements.

The Group's management made a significant judgment by determining that that Group acts as an agent in balancing gas purchase/sale transactions for system users (system users balancing services) and consequently, reports net result of balancing gas sales and purchases and neutrality charge income and expenses.

More information is in Note 2.13.

Financial Instruments – assessment

The Group assessed financial instruments to identify whether the rights and obligations to acquire or sell shares in Rheinmetall Defence Lietuva, UAB with pre-specified counterparties meet the definition of a derivative under IFRS 9 and IAS 32.

In 2024 the Group's subsidiary, UAB EPSO-G Invest, along with its co-shareholders - Giraitės Ginkluotės Gamykla, AB and Rheinmetall Waffe Munition, GmbH - has entered into an agreement to establish a joint business arrangement, Rheinmetall Defence Lietuva, UAB. Simultaneously, they have agreed to certain rights and obligations to acquire or sell each other's shares in Rheinmetall Defence Lietuva UAB, subject to various trigger events. These certain rights and obligations involve multiple underlying factors, that are specific to the parties of the contract, including, financial variables (changes in equity value and fair value) and non-financial variables (transaction-specific factors, such as various triggering events, e.g. breach of material obligations, liquidation or bankruptcy, completion of construction work, proposal of the management board to finance the company, termination of certain agreements). When such type of instruments have more than one underlying variable, with one underlying being a non-financial variable specific to one of the parties, then judgement is required in determining whether the instrument is a derivative. Since all rights and obligations to acquire or sell shares in Rheinmetall Defence Lithuania, UAB are specific to the parties of the contract and rely heavily on non-financial variables in contrast to financial variables, the Management of the Group concluded that those rights and obligations do not meet the definition of the derivative contracts under IFRS 9 and IAS 32 and shall not be recognised and accounted for as such.

4. Reclassification of comparative figures in the financial statements

During the current year, the Group and the Company enhanced the presentation of its statement of financial position by disaggregating certain line items to provide more transparent and granular information. Specifically, assets and liabilities have been separated into financial and non-financial categories. Comparative figures for the prior year have been reclassified accordingly to ensure consistency and comparability. These reclassifications have no impact on previously reported total assets, total liabilities, equity, or net income.

(All amounts are in EUR thousand unless otherwise stated)	31/12/2024			01/01/2024		
Group	Before reclassification	Reclassification effect	After recassification	Before reclassification	Reclassification effect	After recassification
ASSETS						
Non-current assets						
Receivables after one year	10	(10)	-	10	(10)	-
Other non-current financial assets	1,153	(1 153)	-	166	(166)	-
Other financial assets at amortised cost	-	10	10	-	10	10
Derivative assets at FVTPL	-	1,153	1,153		166	166
Total non-current assets	**1,163**	**-**	**1,163**	**176**	**-**	**176**
Current assets						
Prepayments and contract assets	5,852	(5 852)	-	6,148	(6,148)	-
Other receivables	70,087	(70 087)	-	98,643	(98,643)	-
Other financial assets	155,559	(155 559)	-	15,898	(15,898)	-
Contract assets	-	2,330	2,330	-	2,607	2,607
Other financial assets at amortised cost	-	156,568	156,568	-	22,027	22,027
Other non-financial assets	-	72,600	72,600	-	96,055	96,055
Total current assets	**231,498**	**-**	**231,498**	**120,689**	**-**	**120,689**
TOTAL ASSETS	**232,661**	**-**	**232,661**	**120,865**	**-**	**120,865**
Non-current liabilities						
Other non-current payables and liabilities	16,315	(16 315)	-	3,411	(3,411)	-
Other non-financial liabilities	-	16,315	16,315	-	3,126	3,126
Other financial liabilities at amortised cost	-	-	-	-	285	285
Total non-current liabilities	**16,315**	**-**	**16,315**	**3,411**	**-**	**3,411**
Current liabilities						
Prepayments received	15,436	(15 436)	-	44,412	(44,412)	-
Other current payables and liabilities	109,093	(109 093)	-	131,818	(131,818)	-
Other financial liabilities at amortised cost	-	44,526	44,526	-	46,912	46,912
Other non-financial liabilities	-	79,349	79,349	-	129,152	129,152
Derivative liabilities at FVTPL	-	654	654	-	166	166
Total current liabilities	**124,529**	**-**	**124,529**	**176,230**	**-**	**176,230**
TOTAL LIABILITIES	**140,844**	**-**	**140,844**	**179,641**	**-**	**179,641**

(All amounts are in EUR thousand unless otherwise stated)	31/12/2024			01/01/2024		
Company	Before restatement	Reclassification effect	After reclassification	Before reclassification	Reclassification effect	After reclassification
ASSETS						
Current assets						
Prepayments and contract assets	42	(42)	-	69	(69)	-
Other receivables	33,178	(33,178)	-	46,225	(46,225)	-
Other financial assets	135,000	(135,000)	-	-	-	-
Other financial assets at amortised cost	-	168,176	168,176	-	46,225	46,225
Other non-financial assets	-	44	44	-	69	69
Total current assets	**168,220**	-	**168,220**	**46,294**	-	**46,294**
Current liabilities						
Other current payables and liabilities	1,089	(1 089)	-	924	(924)	-
Other non-financial liabilities	-	1,089	1,089	-	734	734
Other financial liabilities at amortised cost	-	-	-	-	*190*	*190*
Total current liabilities	**1,089**	**-**	**1,089**	**924**	**-**	**924**

5. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

Management assesses the Group's performance based on three business segments which are consistent with the operational goals stipulated in the Group's strategy:

- The electricity transmission segment comprises the activities conducted by LITGRID AB;
- The natural gas transmission segment comprises the activities conducted by Amber Grid AB;
- These operating segments are presented together as "All other segments": activities conducted by Baltpool UAB, an energy sources exchange operator;
  - ✓ activities conducted by TETAS UAB, an energy facilities construction and contracting company;
  - ✓ activities conducted by Energy Cells UAB, an operator of electricity storage system;
  - ✓ activities of EPSO-G Invest which is mandated to carry out project and investment management;
  - ✓ activities conducted by parent company EPSO-G UAB.

The individual operating segments comprising 'All other segments' do not meet any of the quantitative thresholds specified in IFRS 8.13, as their revenue, profit measure (EBITDA), and total assets each fall below 10% of the respective consolidated totals for all operating segments. Accordingly, these segments are presented together as 'All other segments' in accordance with IFRS 8.

The Group has a single geographical segment – the Republic of Lithuania. The Group's operations in foreign countries are insignificant for the Group.

The Group uses certain alternative performance measures (non-GAAP measures) that are not defined under IFRS to provide additional information on financial performance.

The key performance indicators are profit before interest, taxes, depreciation (amortisation), loss on impairment and write-off of property, plant and equipment (EBITDA), profit before interest and taxed (EBIT), net profit, operating expenses (excluding electricity, gas and related expenses). These indicators are calculated on the basis of data reported in the financial statements.

Management uses EBITDA to evaluate the Group's core operating performance and cash-generating ability, excluding the effects of financing decisions, tax environments, and non-cash charges. It provides a useful measure for comparing operating performance across periods.

EBIT is used to assess operating profitability before the impact of financing structure and taxation, providing insight into the operational efficiency of the business.

The Board also monitors adjusted performance indicators, i.e. adjusted EBITDA, which is non-IFRS, and non-GAAP alternative performance measure. Adjustments include temporary regulatory differences resulting from the Council's decisions. All adjustments may have both positive and negative impact on the reporting period results. In Board's view, adjusted EBITDA more accurately presents the Group's performance, adjusted for the effect of regulation during the reporting period.

Management also analyses investments and net debt of each individual segment.

In 2025, revenue from the Lithuanian customers accounted for 89% of the total revenue (2024: 87%).

The table below contains the Group's information on segments for the year ended 31 December 2025:

(All amounts are in EUR thousand unless otherwise stated)	Transmission of electricity	Transmission of natural gas	All other segments	Elimination of intersegment transactions	Total
Revenue and other income	431,082	69,716	68,138	(36,413)	532,523
Purchase of electricity and natural gas*	(328,957)	(15,052)	(927)	5,950	(338,986)
Purchase of contracting services	-	-	(22,701)	11,157	(11,544)
Wages and salaries, and related expenses	(24,187)	(17,290)	(24,356)	4,017	(61,816)
Repair and maintenance services	(11,462)	(3,525)	(1,618)	4,517	(12,088)
Other expenses	(17,558)	(16,530)	(9,918)	6,083	(37,923)
EBITDA	**48,918**	**17,319**	**8,618**	**(4,689)**	**70,166**
Adjusted EBITDA	**53,046**	**27,436**	**897**	**(4,689)**	**76,690**
Temporary regulatory differences for previous periods	8,444	4,621	-	-	13,065
Temporary regulatory differences for reporting period	(4,316)	5,496	(7,721)	-	(6,541)
Overall effect of management's adjustments on EBITDA	**4,128**	**10,117**	**(7,721)**	**-**	**6,524**
Reconciliation of EBITDA, and Operating profit (EBIT) and net profit/loss	**-**	**-**	**-**	**-**	**-**
Depreciation and amortisation	(23,341)	(14,669)	(3,125)	-	(41,135)
Gain (loss) on derivatives	-	-	-		-
Other gain (losses)	-	178	-		178
Loss on impairment and write-off of non-current assets	(1,172)	(23)	(13)	-	(1,208)
Operating profit (EBIT)	**24,405**	**2,805**	**5,480**	**(4,689)**	**28,001**
Finance income/ costs, net	3,394	(2,064)	(1,978)	(3)	(651)
Income tax	6,391	195	363	-	6,949
Share of results of associates	31	424	3,021	-	3,476
Net profit (loss)	**34,221**	**1,360**	**6,886**	**(4,692)**	**37,775**
Total assets	816,412	324,739	764,109	(656,997)	1,248,263
Net financial debt	(26,548)	(126,401)	(192,163)	255,291	(89,821)
Investments (additions of property, plant and equipment and intangible assets)	(191,709)	(21,782)	(1,409)	3,780	(211,120)

* Includes impact of changes in gas inventory balances

The table below contains the Group's information on segments for the period ended 31 December 2024:

(All amounts are in EUR thousands unless otherwise stated)	Transmission of electricity	Transmission of natural gas	All other segments	Elimination of intersegment transactions	Total
Revenue and other income	378,326	74,584	59,873	(31,895)	480,888
Dividend income	-	-	50,632	(50,632)	-
Purchase of electricity and natural gas*	(271,579)	(16,509)	(1,239)	7,847	(281,480)
Purchase of contracting services	-	-	(26,916)	13,693	(13,223)
Wages and salaries, and related expenses	(20,579)	(15,501)	(22,861)	3,197	(55,744)
Repair and maintenance services	(10,281)	(2,612)	(2,354)	5,204	(10,043)
Other expenses	(15,303)	(13,435)	(5,225)	(1,223)	(35,186)
EBITDA	**60,584**	**26,527**	**51,910**	**(53,809)**	**85,212**
Adjusted EBITDA	**47,553**	**27,373**	**51,910**	**(53,809)**	**73,027**
Temporary regulatory differences for previous periods	13,100	2,006	-	-	15,106
Temporary regulatory differences for reporting period	(26,131)	(1,160)	-	-	(27,291)
Overall effect of management's adjustments on EBITDA	(13,031)	846	-	-	(12,185)
Reconciliation of EBITDA and net profit/loss	(23,215)	(15,339)	(2,030)	-	(40,387)
Depreciation and amortisation	(22,562)	(14,932)	(2,893)	-	(40,387)
Result on derivatives	-	(364)	863	-	499
Loss on impairment and write-off of non-current assets	(653)	(43)	-	-	(696)
Operating profit (EBIT)	**37,369**	**11,188**	**49,880**	**(53,809)**	**44,628**
Finance expenses, net	5,758	(2,166)	(3,691)	-	(99)
Income tax	5,901	(1,196)	1,348	-	6,053
Share of results of associates	-	480	3,825	-	4,305
Net profit (loss)	49,028	8,306	51,362	(53,809)	54,887
Total assets	820,320	327,196	739,849	(679,585)	1 207 780
Net financial debt	(33,124)	(83,346)	(141,838)	323,170	64,862
Investments (additions of property, plant and equipment and intangible assets)	(232,611)	(6,405)	(656)	3,599	(236,073)

* Includes impact of changes in gas inventory balances

The Group's revenue from the major clients in 2025:

(All amounts are in EUR thousand unless otherwise stated)	2025	
Company name	**Negative revenue**	**Revenue**
Energijos Skirstymo Operatorius AB	(4)	272,693
Ignitis UAB	-	44,070
Ignitis Gamyba AB	(10,011)	3,765
Total revenue from major customers:	**(10 015)**	**320,528**

The Group's revenue from the major clients in 2024:

(All amounts are in EUR thousand unless otherwise stated)	2024	
Company name	**Negative revenue**	**Revenue**
Energijos Skirstymo Operatorius AB	-	259,132
Ignitis UAB	(866)	29,007
Ignitis Gamyba AB	(2,482)	6,676
Total revenue from major customers:	**(3,348)**	**294,815**

6. Intangible assets

(All amounts are in EUR thousand unless otherwise stated)

Group	Goodwill	Patents and licences	Computer software	Other intangible assets	Statutory servitudes and protection zones	Total
Net book amount as at 1 January 2024	**61**	**884**	**3,888**	**247**	**3,095**	**8,175**
Additions	-	49	2,577	21	-	2,647
Value adjustment	-	-	-	-	(438)	(438)
Write-offs	-	-	(12)	-	-	(12)
Reclassification with PP&E	-	344	(207)	-	-	137
Reclassification between categories	-	-	-	-	-	-
Off-set of grants against non-current assets (Note 21)	-	(344)	(1,567)	-	-	(1,911)
Amortisation	-	(422)	(1,180)	(110)	-	(1,712)
Net book amount as at 31 December 2024	**61**	**511**	**3,499**	**158**	**2,657**	**6,886**
Acquisition cost	61	1,889	13,784	603	2,657	18,994
Accumulated amortisation	**-**	(1,378)	(10,066)	**(419)**	**-**	(11,863)
Accumulated impairment	**-**	-	(219)	**(26)**	**-**	(245)
Net book amount as at 31 December 2024	**61**	**511**	**3,499**	**158**	**2,657**	**6,886**
Net book amount as at 1 January 2025	**61**	**511**	**3,499**	**158**	**2,657**	**6,886**
Additions	-	131	1,610	1,913	232	3,886
Value adjustment	-	-	-	-	77	77
Write-offs	-	-	(89)	-	-	(89)
Reclassification from PP&E	-	-	-	(236)	-	(236)
Reclassification between categories	-	9	(145)	131	-	(5)
Grants offset with intangible assets (Note 21)	-	-	-	(1,171)	-	(1,171)
Amortisation	-	(421)	(942)	(78)	-	(1,441)
Net book amount as at 31 December 2025	**61**	**230**	**3,934**	**717**	**2,965**	**7,907**
Acquisition cost	61	2,009	14,540	1,240	2,965	20,815
Accumulated amortisation	-	(1,779)	(10,606)	(523)	-	(12,908)
Net book amount as at 31 December 2025	**61**	**230**	**3,934**	**717**	**2,965**	**7,907**

Intangible assets are carried at cost, less accumulated amortisation and accumulated impairment losses, if any.

As at 31 December 2025, following the reassessment of the assumptions for the provisions for statutory servitudes and protection zones (Note 28), changes in the regulatory framework for protection zones and differences between the values of forecast and actual services acquired, the provision and related intangible assets as at 31 December 2025 were increased by EUR 77 thousand.

As at 31 December 2025, the net book amount of the Company's intangible assets amounted to EUR 68 thousand (as at 31 December 2024, EUR 56 thousand).

7. Property, plant and equipment

Group	Land	Buildings	Structures and equipment	Vehicles	Other property, plant and equipment	Construction in progress	Total
Net book amount as at 31 December 2023	**691**	**28,155**	**564,847**	**1,588**	**16,477**	**95,471**	**707,229**
Additions	-	556	25,053	226	6,317	210,598	242,750
Prepayments for PP&E	-	-	-	-	-	(9,324)	(9,324)
Sales	-	-	-	-	(2)	-	(2)
Write-offs	-	(2)	(1,611)	(2)	(3)	(92)	(1,710)
Impairment loss	-	-	(480)	-	-	-	(480)
Reversal of impairment	-	-	(22)	-	-	-	(22)
Reclassification to/from inventories	-	35	70	(62)	(100)	845	788
Reclassification between categories	-	7,062	55,216	-	4,515	(66,683)	110
Reclassification (from intangible assets)	-	-	-	-	142	(279)	(137)
Off-set of grants against non-current assets (Note 21)	-	(552)	(23,561)	-	(1,130)	(131,817)	(157,060)
Depreciation	-	(1,062)	(30,535)	(433)	(4,266)	-	(36,296)
Net book amount as at 31 December 2024	**691**	**34,192**	**588,977**	**1,317**	**21,950**	**98,719**	**745,846**
Acquisition/revaluation amount	691	35,244	619,842	1,778	26,325	98,719	782,599
Accumulated depreciation after revaluation	-	(1,052)	(30,385)	(461)	(4,375)	-	(36,273)
Accumulated depreciation	-	-	(480)	-	-	-	(480)
Net book amount as at 31 December 2024	**691**	**34,192**	**588,977**	**1,317**	**21,950**	**98,719**	**745,846**
Additions	-	1,672	23,488	1,175	15,924	155,577	197,836
Change in prepayments for PP&E	-	-	-	-	-	9,398	9,398
Sales	-	-	-	(14)	(1)	-	(15)
Write-offs	-	-	(713)	-	(452)	(37)	(1,202)
Impairment loss	-	-	-	-	-	-	-
Reversal of impairment	-	-	-	-	-	17	17
Reclassification between categories	-	4,521	76,145	-	3,306	(83,972)	-
Reclassified to/from assets held for sale	-	-	-	-	-	-	
Reclassification to/from inventories	-	-	(260)	-	(104)	(2)	(366)
Reclassification to intangible assets	-	74	(74)	-	-	236	236
Reclassification from right-of-use assets	-	-	127	-	-	-	127
Off-set of grants against non-current assets (Note 21)	-	(1,672)	(22,201)	-	(833)	(60,840)	(85,546)
Depreciation	-	(1,293)	(30,303)	(389)	(5,050)	-	(37,035)
Net book amount at 31 December 2025	**691**	**37,493**	**635,186**	**2,089**	**34,741**	**119,096**	**829,296**
Acquisition/revaluation amount	691	39,850	697,042	2,759	43,581	119,096	903,019
Accumulated depreciation after revaluation	-	(2,357)	(61,376)	(670)	(8,840)	-	(73,243)
Accumulated impairment	-	-	(480)	-	-	-	(480)
Net book amount as at 31 December 2025	**691**	**37,493**	**635,186**	**2,089**	**34,741**	**119,096**	**829,296**

The Group's property, plant and equipment is carried at a revalued amount, less accumulated depreciation and impairment loss. Write-offs mainly represented derecognition of component parts of assets replaced during reconstruction.

Prepayments for property, plant, equipment (PPE), included in the "Construction work in progress":

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025	31/12/2024
Opening carrying amount	**8,401**	**17,725**
Prepayments paid for PPE over the period	17,513	2,585
Transfer to construction work in progress	**(8,115)**	**(11,909)**
Closing carrying amount	**17,799**	**8,401**

In 2025, the Group capitalised EUR 79 thousand of interest at a rate of 3.14% (in 2024, it did not capitalise any interest on property, plant and equipment).

The Group's property, plant, and equipment is accounted for at a revalued amount. The last revaluation of property, plant and equipment was carried out in 2023. The Group considered external and internal factors that could have an impact on the impairment of property, plant and equipment as at 31 December 2025. During 2025, no significant negative changes in the economic, market, or regulatory environment were identified in any of the above segments. Also, no other significant internal or external circumstances were identified that could indicate potential impairment of property, plant and equipment.

Nonetheless, the Group calculated the recoverable amount of the property, plant, and equipment using a discounted cash flow technique. The test was performed at the level of cash generating unit (CGU) which is represented by the assets of the gas transmission network and electricity transmission network managed by the Group companies.

The test identified that the carrying amount of the assets within the materiality limits of both segments corresponds to their value in use, therefore, as at 31 December 2025, no adjustments were made to the value of property, plant, and equipment.

Below are the key assumptions used in measurements for electricity transmission segment and natural gas transmission segments.

Key assumptions used in the calculation of the value in use of assets of natural gas transmission system operator as at 31 December 2025 were as follows:

- ✓ a post-tax discount rate of 4.8% that correspond to the pre-tax discount rate of 5.7% and is close to the return on investments set by NERC for 2025;
- ✓ cash flows projected until 2031 in accordance with the Methodology for Determining Revenue From and Prices for Regulated Natural Gas Transmission Activities approved by NERC, and the financial plans approved by management;
- ✓ capital investments assessed under the updated natural gas transmission system operator's 10-Year Investment Plan;
- ✓ a terminal value was calculated at a 0% growth rate, which is considered reasonable due to the nature of the regulated activity, and its stability.

Key assumptions used in the calculation of the value in use of assets of electricity transmission system operator as at 31 December 2025 were as follows:

- ✓ The updated Long -Run Average Incremental Cost (LRAIC) model for the establishment of the regulated asset base and the cost of capital is applied in the regulatory pricing from 2022. The cost of capital comprises depreciation expenses of the regulated assets and return on investments, which is calculated by multiplying the regulated asset base by the rate of return on investments. Over the regulatory period of five years, the cost of assets under optimisation (planned to be restored) is determined using the present (restored) value and investments in the optimised assets over the regulatory period of five years are consistent with the value of assets being restored, which is calculated under the LRAIC model. The cost of capital of the assets that are not optimised is determined using the historical value. Furthermore, taking into consideration available financing sources and aiming to retain a sustainable level of the Company's debt, an additional component was established for the financing of investments increasing the level of revenue from the regulated activities.
- ✓ The amounts of investments until 2031 are used from the ten-year investment plan adjusted for actual data, which excludes all development investments.
- ✓ All operating expenses attributable to the regulated activities are compensated through transmission revenue, except for the compensation of remuneration expenses, the compensation assumption of which is 98%.
- ✓ The calculation of cash flows for 2026-2027 reflects a difference between the permitted and actual return on transmission investments for 2023-2025, including efficient saving of operating expense to maximise the permitted return on investments (a regulatory surplus to be repaid through a lower transmission price and revenue), and the refund of the result of ancillary services in excess of the amount permitted by NERC to the network consumers (a lower component of ancillary services and revenue), and system balancing loss (to be refunded through a higher neutrality component of the imbalance price and higher revenue from imbalance services).
- ✓ The rate of return on investments (pre-tax ROI) was set at 5.65% for 2026 (corresponds to a 4.69% post-tax) and, as of 2027, it is equated to the discount rate of 6.37% (corresponds to a 5.28% post-tax WACC). In the calculations of the asset value as at 31 December 2024, the rate of return on investments (pre-tax ROI) was set at 5.72% for 2025-2026 (corresponds to a 4.86% post-tax), and, as of 2027 it is equated to the discount rate of 5.26% (corresponds to a 4.47% post-tax WACC).
- ✓ Net cash flows from assets were discounted using the discount rate (post-tax WACC) of 5.28% calculated by the Company. (as at 31 December 2024, net cash flows from assets were discounted using the discount rate (post-tax WACC) of 4.47% calculated by the Company).

The table below presents the net book amounts of the Group's property, plant and equipment, which would have been recognised had the historical cost method been used, less grants received and negative revaluations that would be treated as an impairment equivalent, as at 31 December 2025 and 31 December 2024:

(All amounts are in EUR thousand unless otherwise stated)	Land	Buildings	Structures and equipment	Transport	Other property, plant and equipment	Construction in progress	Total
31/12/2025	682	35,900	609,312	1,886	34,655	113,253	**795,688**
31/12/2024	682	32,549	562,227	1,012	21,818	81,782	**700,070**

Had the value of the Group's property, plant and equipment not been reduced by the amount of grants, its carrying amount would have been EUR 859,535 thousand higher as at 31 December 2025 (EUR 802,140 thousand as at 31 December 2024). The following table shows information on property, plant and equipment, the value of which was reduced by the amount of grants received/receivable:

All amounts are in EUR thousand unless otherwise stated	31/12/2025	31/12/2024
Opening carrying amount	802,140	672,846
Additions	85,546	157,060
Depreciation	(28,138)	(27,749)
Write-off	(13)	(17)
Closing carrying amount	**859,535**	**802,140**

As at 31 December 2025, the Group had commitments to acquire property, plant and equipment to be fulfilled in the upcoming periods for the amount of EUR 37 million (31 December 2024: EUR 171 million).

As at 31 December 2025, the Company's property, plant and equipment amounted to EUR 63 thousand, as at 31 December 2024 – EUR 69 thousand. The Company's other property, plant and equipment comprised computer hardware and furniture.

8. Right-of-use-assets

Group	Land	Buildings	Vehicles	Total
Net book amount as at 1 January 2024	**5,832**	**2,577**	**2,401**	**10,810**
New contracts	-	222	2,469	2,691
Indexation	(25)	530	87	592
Reclassification to /from PP&E			(110)	(110)
Depreciation	(62)	(746)	(1,571)	(2,379)
Net book amount as at 31 December 2024	**5,745**	**2,583**	**3,276**	**11,604**
Acquisition cost	6,106	5,053	7,006	18,165
Accumulated depreciation	(361)	(2,470)	(3,730)	(6,561)
Net book amount as at 31 December 2024	**5,745**	**2,583**	**3,276**	**11,604**
New contracts	-	429	993	1,422
Reclassification to /from PP&E	-	-	(127)	(127)
Write-offs		(3)	(6)	(9)
Indexation/Modification	-	55	(56)	(1)
Depreciation	(62)	(786)	(1,811)	(2,659)
Net book amount as at 31 December 2025	**5,683**	**2,279**	**2,268**	**10,230**
Acquisition cost	6,106	5,434	7,529	19,069
Accumulated depreciation	(423)	(3,156)	(5,261)	(8,839)
Net book amount as at 31 December 2025	**5,683**	**2,279**	**2,268**	**10,230**

Company	Land	Buildings	Vehicles	Total
Net book amount as at 1 January 2024		**608**	**86**	**694**
Depreciation		(126)	(31)	(157)
Net book amount as at 31 December 2024		**482**	**55**	**537**
Acquisition cost		629	125	754
Accumulated depreciation		(147)	(70)	(217)
Net book amount as at 31 December 2024		**482**	**55**	**537**
Indexation		12	-	12
Depreciation		(129)	(31)	(160)

Net book amount as at 31 December 2025	**365**	**24**	**389**
Acquisition cost	641	125	766
Accumulated depreciation	(276)	(101)	(377)
Net book amount as at 31 December 2025	**365**	**24**	**389**

As at 31 December 2025, the increases in the Group's right-of-use assets were due conclusion of new contracts for the lease of new office premises, vehicles and equipment.

9. Investments in subsidiaries and associates

As at 31 December 2025 and 31 December 2024, the Company had a shareholding in the following Group companies:

Group companies	Acquisition cost	Impairment	Carrying amount	Shareholding (%)
		2025-12-31		
Subsidiaries				
Litgrid AB	217,215	-	217,215	98%
Amber Grid AB	126,528	-	126,528	97%
Baltpool UAB	388	-	388	67%
TETAS UAB	16,150	(11 130)	5,020	100%
Energy Cells UAB	2,375	-	2,375	100%
EPSO-G Invest UAB	37,268	-	37,268	51%
Total:	**399,924**	**(11 130)**	**388,794**	
Associates				
TSO Holding AS*	13,830	-	13,830	39.6%
		2024-12-31		
Subsidiaries				
Litgrid AB	217,215	-	217,215	98%
Amber Grid AB	126,528	-	126,528	97%
Baltpool UAB	388	-	388	67%
TETAS UAB	16,150	(11,130)	5,020	100%
Energy Cells UAB	2,375	-	2,375	100%
EPSO-G Invest UAB	953	-	953	51%
Total:	**363,609**	**(11,130)**	**352,479**	
Associates				
TSO Holding AS	13,830	-	13,830	39.6%

On 18 July 2024, the Company established a new 100% controlled subsidiary EPSO-G Invest UAB. The sole activity of EPSO-G Invest UAB is its investment in the associate Rheinmetall Defence Lietuva UAB (RDL). Following the Company's decision of 13 December 2024 to increase the issued capital of this company, 49% of its shares were acquired by Valstybės Investicinis Kapitalas UAB. The Company remains the controlling shareholder with a 51% shareholding in EPSO-G Invest UAB.

In 2025 Company additionally invested EUR 36,315 thousand in EPSO-G Invest UAB by paying newly issued emission of shares., VIKA also invested by paying EUR 35,828 thousand the residual value of emission. The Company remains the controlling shareholder with a 51% shareholding and EUR 37,268 thousand total investment value in EPSO-G Invest UAB and VIKA with 49% non-controlling interest in shares

Impairment testing of investments in subsidiaries

As at 31 December 2025, the Company identified indications of impairments and tested its subsidiary TETAS UAB for impairment. Although the estimated recoverable amount of TETAS as at 31 December 2025 exceeded the carrying value , the Company's management believes that the impairment charge recognised in previous years should not be reversed, as improving performance of TETAS still represents short-term prospects and the difference in value is not material. During the impairment testing as at 31 December 2024, the recoverable amount was determined to be 10% higher than the carrying amount, and, due to improved performance in the short-term, the impairment was not reversed.

In testing the investment in TETAS for impairment as at 31 December 2025 and 2024, the Company applied the discounted cash flow method and used the following key assumptions:

- five-year cash flow forecasts until 2030 (2024: cash flow forecast until 2029);
- a 2.0% projected cash flow growth rate in the period (beyond 2030) of continuing operations (2024: 2.0%);
- a 11.49% discount rate (post-tax) was used to calculate discounted cash flows (2024: 11.81%);

The Company also assessed the investments in the subsidiaries Litgrid, Amber Grid, Energy Cells and EPSO-G Invest for indicators of impairment. As at 31 December 2025 and 2024, there were no indicators of impairment, as the net asset value of the subsidiaries in question, attributable to interest of the Company, is higher than the carrying amount.

Presented below is the summarised statement of financial position of the Group companies with a significant non-controlling interest as at 31 December 2025 and 2024.

(All amounts are in EUR thousand unless otherwise stated)	Current assets and liabilities			Non-current assets and liabilities			Net assets	Net assets attributable to non-controlling interest
Company name	**Assets**	**Liabilities**	**Total net current assets**	**Assets**	**Liabilities**	**Total net non-current assets**		
31/12/2025								
Litgrid AB	262,794	202,239	60,555	553,618	346,696	206,922	**267,477**	**6,681**
AB Amber grid	29,862	53,296	(23,434)	294,877	105,166	189,711	**166,277**	**5,689**
EPSO-G Invest UAB	398	18	380	73,056	-	73,061	**73,441**	**36,231**
						Other non-controlling interest		**37**
							Total	**48,638**
31/12/2024								
Litgrid AB	353,059	211,399	141,660	467,261	350,726	116,535	**258,195**	**6,448**
AB Amber grid	35,307	90,126	(54,819)	291,889	61,441	230,448	**175,629**	**6,009**
EPSO-G Invest UAB	1,354	17	1,337	-	-	-	**1,337**	**422**
						Other non-controlling interest		**65**
							Total	**12,944**

Presented below is the summarised statement of comprehensive income of the Group companies with significant non-controlling interest for 2025 and 2024.

(All amounts are in EUR thousand unless otherwise stated)						
Company name	**Revenue**	**Profit (loss) before income tax**	**Income tax (expense) benefit**	**Total comprehensive income**	**Comprehensive income attributable to non-controlling interest**	**Dividends paid to non-controlling interest**
31/12/2025						
Litgrid AB	431,082	27,830	6,391	34,221	855	(617)
AB Amber Grid	69,716	1,165	195	1,360	45	(366)
EPSO-G Invest UAB	-	(75)	-	(75)	(37)	-
	-					
31/12/2024						
Litgrid AB	378,326	43,127	5,901	49,028	1,224	(731)
AB Amber Grid	74,584	9,502	(1,196)	8,276	281	(690)
EPSO-G Invest UAB	-	(54)	-	(54)	(26)	-

Presented below is the summarised statement of cash flows of the Group companies with significant non-controlling interest for 2025 and 2024.

(All amounts are in EUR thousand unless otherwise stated) Company name	Net cash flows from operating activities	Net cash flows from investing activities	Cash flows from/used in financing activities	Net increase (decrease) in cash flows	Cash and cash equivalents at the beginning of the year	Cash and cash equivalents at the end of year
Litgrid AB						
31/12/2025	36,275	(4,642)	(31,598)	35	113	148
31/12/2024	126,380	(90,783)	(36,118)	(521)	634	113
AB Amber Grid						
31/12/2025	13,932	(38,085)	24,886	733	31	764
31/12/2024	34,601	(4,046)	(30,645)	(90)	121	31
EPSO-G Invest UAB						
31/12/2025	(124)	(72,976)	72,144	(956)	1,354	398
31/12/2024	(58)	-	1,412	1,354	-	1,354

Investments in associates and joint ventures

The Group's investments in associates and joint ventures in the consolidated financial statements included the following:

(All amounts are in EUR thousand unless otherwise stated) Company name	Nature of investment	Shareholding (%)	Investment value at the beginning of the period	Additions	Dividends received	Share of results of associate	Disposal	Investment value at the end of the period
	31/12/2025							
TSO Holding AS	Associate	40	15,472	-	(2,808)	3,021		15,685
GET Baltic, UAB	Associate	34	3,560	-	(837)	424	(3,147)	-
Baltic RCC OU	Joint venture	33	99	-	(53)	31		77
Rheinmetall Defence Lietuva UAB	Associate	24	-	73,056	-	-		73,056
Total investments in 2025:			**19,131**	**73,056**	**(3,698)**	**3,476**	**(3,147)**	**88,818**
	31/12/2024							
TSO Holding AS	Associate	40	13,989	-	(2,342)	3,825	-	15,472
GET Baltic, UAB	Associate	34	3,643	-	(563)	480	-	3,560
Baltic RCC OU	Joint venture	33	45	-	-	54	-	99
Rheinmetall Defence Lietuva UAB	Associate	24	-	-	-	-	-	-
Total investments in 2024:			**17,677**	**-**	**(2,905)**	**4,359**	**-**	**19,131**

On 13 December 2024, the Shareholders' Agreement was signed between EPSO-G UAB and VIKA with the ultimate goal of investing in Rheinmetall Defence Lietuva UAB (RDL), developing its business, making investment decisions, and managing and holding RDL shares.

On 20 December 2024, Rheinmetall Waffe Munition GmBH, EPSO-G Invest UAB and Giraitės ginkluotės gamyba AB signed a shareholder cooperation agreement on the development of RDL, the organisation of the production of artillery ammunition and the acquisition and management of its shares. Under the agreement, that Rheinmetall Waffe Munition will hold 51% stake in RDL, 48% will be owned by EPSO-G Invest UAB and 1% by Giraitės ginkluotės gamykla AB.

During 2025, EPSO-G Invest UAB invested EUR 73,056 thousand in RDL through the payment of issue of new shares. RDL was inactive in 2025, as the artillery shell manufacturing project was under development.

Below is the summarized statement of comprehensive income of TSO Holding AS and Rheinmetall Defence Lietuva UAB in 2025 and 2024. This information represents the management's estimates made based on the available unaudited financial information of the said companies presented in their reports:

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025		31/12/2024
	TSO Holding	RDL	TSO Holding
Operating results of associate	9,805	0	11,760
Income tax benefit (expenses)	(2,177)	-	(2,101)
Net profit (loss)	7,628	0	9,659
Other comprehensive income	-		-
Total comprehensive income for the period	**7,628**	**0**	**9,659**
Comprehensive income attributable to the Group	3,021	0	3,825
Total comprehensive income attributable to the Group	**3,021**	**0**	**3,825**
Dividends paid to the Group	2,808	-	2,342

Summarized statement of financial position of TSO Holding and Rheinmetall Defence Lietuva UAB:

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025		31/12/2024	
	TSO Holding	RDL	TSO Holding	RDL
Non-current assets	1,714	77,384	1,872	-
Current assets	1 436 907	75,350	695,509	43
Total assets:	**1 438 621**	**152,734**	**698,380**	**43**
Non-current liabilities	396	-	701	-
Current liabilities	1 421 576	511	683,437	49
Total liabilities:	**1 421 973**	**511**	**684,137**	**49**
Net assets	**16,648**	**152,223**	**14,243**	**(6)**
Group's share, %	39.6%	48%	39.6%	48%
Group's share of net assets	**6,593**	**73,067**	**5,640**	**21**
Group's share of goodwill	**9,092**	**-**	**9,832**	**-**
Carrying amount of investments in associate	**15,685**	**73,056**	**15,472**	**-**

In June 2025, the Group received EUR 2,808 thousand in dividends from TSO Holding AS, by which the value of investment in associate was reduced.

As disclosed above, during 2025, EPSO-G Invest UAB invested EUR 73,056 thousand in RDL through the payment of issue of new shares. RDL was inactive in 2025, as the artillery shell manufacturing project was under development. As result, there were no significant changes in RDL's net assets during 2025, because the expenses incurred were offset by interest income on cash at banks.

10. Other gain (losses)

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025	31/12/2024
Gain (loss) on disposal of associate	1 051	-
Changes in fair value of derivatives	(873)	499
Total	**178**	**499**

Disposal of investments in associate

Upon fulfilment of contract obligations by the strategic investor, on 10 October 2025, the Group disposed the remaining 34% shareholding in GET Baltic, thereby losing significant influence over the associate. On 31 May 2023, following the sale of 66% shares in GET Baltic and transfer of the control in GET Baltic, the remaining 34% of the investment in GET Baltic was measured at fair value before the disposal, and subsequently accounted for using the equity method.

The carrying amount of the investment in associate at the time of the disposal was EUR 3,147 thousand. The following are the changes in carrying amount of the investment in associate:

(All amounts are in EUR thousand unless otherwise stated)	10/10/2025	31/12/2024
Opening carrying amount	**3,560**	**3,644**
Associate's net profit (loss)	424	480
Associate's other comprehensive income	-	-
Dividends received	(837)	(564)
Write off on disposal	(3,147)	-
Closing carrying amount	**-**	**3,560**

The share purchase/sale agreement of 31 May 2023 comprised share options that were designated as a financial instrument. Before exercise of the options, they were measured at fair value. Upon satisfying the terms of the option contract, the Company disposed the remaining portion of the investment. The fair value of the options was incorporated in the gain (loss) on disposal of investment. After exercising options, the Company has no rights or obligations under the option contracts.

The following is the impact of individual items on the assessment of the net result of the share disposal transaction:

(All amounts are in EUR thousand unless otherwise stated)	
Consideration received for disposal of investments in associate	3,824
Carrying amount of investments in associate	(3,147)
Impact of options exercised	374
Gain (loss) on disposal of associate	**1,051**

Derivatives

On 10 October 2025, upon fulfilment of contract obligations by the investor, GET Baltic's share options were exercised. The options were related to the disposal of the remaining shareholding and had impact on the final transaction price. The options give the right to sell/buy the remaining shares in GET Baltic at a fixed price, by managing price risk due to potential value changes of the associate prior to closing. The options were recognised as stand-alone derivatives and, given the likely option exercise period, were classified as assets or liabilities of particular duration. The share options were measured at fair value.

Below is the fair value of financial instruments at the time of disposal:

(All amounts are in EUR thousands unless otherwise stated)				Fair value of option
Share option	**Subscription date**	**Maturity**	**Exercise price**	**30/09/2025**
Call option	31/05/2023	10/10/2025	3.86	10
Put option	31/05/2023	10/10/2025	3.86	(384)

Information on the changes in fair value of derivatives:

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025	31/12/2024
Non-current assets	-	-
Opening carrying amount of the call option	**1,153**	**166**
Change in fair value	(1,143)	987
Included in net gain (loss) on disposal	(10)	-
Closing carrying amount	**-**	**1,153**

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025	31/12/2024
Current liabilities		
Opening carrying amount of the put option	**(654)**	**(166)**
Change in fair value	270	(488)
Included in net gain (loss) on disposal	384	-
Closing carrying amount	**-**	**(654)**

The Black-Scholes model was used to determine the fair value of options, incorporating the following significant inputs as at 30 September 2025:

	Put option	Call option
Current share price (EUR)	4.05	4.05
Transaction price (EUR)	3.68	3.68
Maturity (years)	0.03	0.03
Dividend yield (%)	7.16	7.16
Share price volatility (%)	38.40	38.40
Risk-free interest rate (%)	2.71	2.71

The assumptions used in estimating the option's fair value as at 31 December 2024 were as follows:

	Put option	Call option
Current share price (EUR)	4.09	4.09
Transaction price (EUR)	4.07	3.97
Maturity (years)	2.40	2.0
Dividend yield (%)	8.07	8.07
Share price volatility (%)	38.40	38.40
Risk-free interest rate (%)	2.30	2.30

The current share price was determined under the income approach, using the discounted cash flows calculation method. Based on the significant non-market inputs, the valuation of options was classified as Level 3.

The following is the impact of individual items of changes in fair value of derivatives to the net result:

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025	31/12/2024
Change in fair value of call option	(1,143)	987
Change in fair value of put option	270	(488)
Changes in fair value of derivatives, net	**(873)**	**499**

11. Inventories

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Materials, inventories	3,749	4,072
Natural gas	3,456	3,908
Less: write-down to net realisable value	(1,285)	(1,038)
Carrying amount	**5,920**	**6,942**

Inventories recognised as expenses during the reporting period amounted to EUR 30,683 thousand as at 31 December 2025 , including EUR 15,108 thousand recognised as purchases for natural gas technological needs and for system balancing, EUR 14,423 thousand as raw material for subcontracting services and EUR 1,152 thousand as maintenance and repair expenses of natural gas and electricity transmission systems.

Inventories recognised as expenses as at 31 December 2024 amounted to EUR 36,304 thousand.

The carrying amount of inventories carried at Net realisable value as at 31 December 2025 amounted to EUR 1,725 thousand (EUR 1,628 thousand as at 31 December 2024).

Movements in write-down allowance for inventories in 2025 and 2024 are indicated below:

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Carrying amount as at 1 January	1,038	1,147
Change in write-down allowance	247	(109)
Carrying amount as at 31 December	**1,285**	**1,038**

12. Contract assets

(All amounts are in EUR thousand unless otherwise stated)	Group

	31/12/2025	31/12/2024
Contract assets		
Accrued revenue from contract works	2,013	1,110
Accrued revenue from natural gas transmission and related services	3,663	1,220
Carrying amount	**5,676**	**2,330**

13. Trade receivables

Trade receivables comprised:

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
I. Trade receivables				
Receivables for electricity transmission and related services	53,699	48,901	-	-
Receivables for transmission and transit of natural gas	10,204	9,783	-	-
Receivables for contract works and other services	4,839	5,796	618	549
Less: expected credit losses of trade receivables	(855)	(573)	-	-
Net book amount of trade receivables under contracts with customers	**67,887**	**63,907**	**618**	**549**
II. Trade receivables under other contracts:	-	-	-	-
Accrued receivables for the services related to electricity transmission	0	81	0	0
Congestion management revenue receivable	2,256	1,053	-	-
Other trade receivables	290	65	-	-
Less: expected credit losses of other trade receivables	-	-	-	-
Net book amount of trade receivables under other contracts	**2,546**	**1,199**	-	-
Total current trade receivables:	**70,433**	**65,106**	**618**	**549**

Current trade receivables/Expected credit losses of trade receivables

Trade receivables under other contracts comprised congestion revenue funds receivable, receivables from the Inter-TSO Compensation (ITC) mechanism fund, natural gas imbalance and lease of assets. The fair value of trade receivables under contracts with customers approximates their carrying amount. In 2025, the Group accounted for expected credit losses of EUR 855 thousand with regard to late payments.

As at 31 December 2025, receivable for electricity transmission and related services were by 10% higher than as at 31 December 2024 due to increase in receivables for electricity transmission, balancing and imbalance services.

As at 31 December 2025, receivables for transmission and transit of natural gas were by 4% higher than as at 31 December 2024. Compared to December 2024, the main contributor to the increase in trade receivables in December 2025 was a 16% growth in the volume of gas transmitted.

After assessing whether the credit risk for customers, particularly of the Group companies, had increased significantly, the Company did not identify any indications of increased credit risk for borrowers. Hence, the Company did not recognise expected credit losses for trade receivables.

The Group applies a simplified credit risk assessment approach as required by IFRS 9 and accounts for loss allowances for lifetime credit losses from initial recognition of receivables. To determine credit losses of receivables, the Group applies the individual assessment and a loss coefficient matrix. The loss ratio matrix is based on historical data for a period exceeding 36 months on settlements of debts by customers. The loss ratios may be adjusted in view of macroeconomic forecasts. The loss ratios are classified into separate groups of receivables on the basis of credit risk characteristics and overdue period.

(All amounts are in EUR thousand unless otherwise stated)		Past due				
	Not past due	1-30 days	31-90 days	91-180 days	181 and more days	Total
31/12/2025						

Current portion of trade receivables, of which:	**68,396**	**748**	**818**	**655**	**671**	**71,288**
State-owned companies	45,599	-	-	-	-	**45,599**
Expected credit losses, %	*0%*	*0%*	*0%*	*0%*	*0%*	***0%***
Other customers	22,797	748	818	655	671	**25,689**
Trade receivables assessed individually	18,867	556	817	*653*	671	**21,564**
Expected credit losses	25	*135*	-	-	671	**831**
Trade receivables assessed collectively	3,930	192	1	*2*	0	**4,125**
Expected credit losses, %	*0.08%*	*10%*	*100%*	*0%*	*100%*	
Impairment	3	20	1	-	-	**24**
Total expected credit losses	**28**	**155**	**1**	**-**	**671**	**855**
31/12/2024						
Current portion of trade receivables, of which:	**63,917**	**511**	**389**	**374**	**488**	**65,679**
State-owned companies	34,940	-	-	-	-	**34,940**
Expected credit losses, %	*0%*	*0%*	*0%*	*0%*	*0%*	***0%***
Other customers	28,977	511	389	374	488	**30,739**
Trade receivables assessed individually	*23,571*	-	-	-	*486*	***24,057***
Expected credit losses	*15*	-	-	-	*486*	***501***
Trade receivables assessed collectively	*5,406*	*511*	*389*	*374*	*2*	***6,682***
Expected credit losses, %	*0%*	*4%*	*6%*	*7%*	*100%*	**-**
Expected credit losses	-	*20*	*23*	*27*	*2*	***72***
Total expected credit losses	**-**	***20***	***23***	***27***	***488***	***573***

Movements in impairment recognised for the Group's trade receivables during the year 2025 and 2024 were as follows:

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025	31/12/2024
Carrying amount as at 1 January	**573**	**249**
Additional impairment	318	363
Reversal of impairment	(36)	(39)
Carrying amount as at 31 December	**855**	**573**

14. Other financial assets at amortised cost

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
NON-CURRENT ASSETS				
Loans to Group companies	-	-	55 500	-
Receivables after one year	13	10	-	-
Carrying amount	**13**	**10**	**55 500**	**-**
CURRENT ASSETS				
Loans to Group companies (cash pooling and current portion of non-current loans agreements)	-	-	20 756	32 584
Interest on loans	-	-	457	131
Term deposits	60 000	95 815	60 000	90 000
Short-term investments	-	45 000	-	45 000
Receivable interests	110	512	110	461
Funds deposited for guarantees and deposits	15 728	14 741	-	-
Administered LNG terminal funds	-	3	-	-
Other receivables	1 108	497	95	-
Carrying amount	**76 946**	**156 568**	**81 418**	**168 176**

The Company entered into long-term loan agreements with its subsidiaries in the total amount of EUR 55,500 thousand (at 31 December 2024, EUR 0 thousand). Interest rate on the loans granted to the Group companies was linked to the 3-month and 12-month EURIBOR. The Company entered into cash pooling agreements with its subsidiaries. Under those agreements, the Group companies' share in the cash pool managed by the Company was lent to the Group companies at a variable interest rate linked to the 12-month EURIBOR.

As of 31 December 2025 and 2024, the parent company assessed expected credit losses (ECL) under IFRS 9 for loans granted to subsidiaries. Based on the credit risk assessment and forward-looking information, the calculated 12-month ECL were immaterial and therefore were not recognized. Management also determined that lifetime ECL were not applicable, as there was no significant increase in credit risk.

As at 31 December 2025 the term deposit agreements by the Group and by the Company were concluded for the period ranging from 90 to 210 days, bearing the annual interest rate of 2.17-2.18%. As at 31 December 2024, the Group and the Company had investments in the debt securities of European governments, with maturity dates ranging from 91 to 360 days.

In 2025, the Group and the Company earned EUR 3,585 thousand (2024: the Group EUR 1,460 thousand and the Company 1,409 thousand) in interest on term deposits and short-term investments., The Group and the Company made the above mentioned short-term investments with the aim of optimizing return on excess cash balances, taking into account projected need for cash and liquidity forecasts.

The Group holds its deposits for guarantees, security deposits and term deposits with credit institutions, whose long-term obligations are rated by Moody's or Standard & Poors as investment-grade: Standard & Poors (A+ or AA-), and Moody's (Aa3). Consequently, ECLs were not recognised for other financial assets.

15. Other non-financial assets

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Non-financial assets				
Administered PSO funds receivable	25,597	26,627	-	-
Administered LNG terminal funds receivable	8,262	11,626	-	-
Administered Emergency intervention Measures (EIM) funds receivable	894	-	-	-

VAT receivable from the state budget	1,047	619	-	2
Prepayments	726	435	-	-
Deferred expenses	6,386	3,006	72	42
Grants receivable	33,583	30,287	-	-
Other receivables	88	-	6	-
Less: expected credit losses of other receivables	-	-	-	-
Carrying amount	**76,583**	**72,600**	**78**	**44**

The fair value of other current assets approximates their carrying amount.

One major part of the Group's other current assets and receivables past due consisted of PSO, LNG terminal and Emergency Intervention funds receivable. The Group is not exposed to credit risk in collecting PSO, LNG terminal and EIM funds as its acts as an administering entity, therefore expected credit losses are not formed for these past due amounts.

The line item of grants receivable includes grants receivable from the EU structural funds for the projects being implemented by the Group. The main amount of receivable grants as at 31 December 2025 consisted of the grant receivable under the instrument Connecting Europe Facility (CEF) for the compensation of expenses incurred in the synchronisation projects.

To determine credit losses of receivables, other than PSO and LNG funds, the Group applies the individual assessment Grants receivable are controlled by the EU and Lithuanian public authorities, therefore they are considered to be of very low credit risk.

16. Cash and cash equivalents

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Cash at bank	51,293	101,562	49,789	98,791
Carrying amount	**51,293**	**101,562**	**49,789**	**98,791**

As at 31 December 2025 and 2024, cash and cash equivalents consisted of cash at bank. Information on banks' credit ratings is disclosed in Note 36.

As at 31 December 2025 and 2024, the fair value of cash and cash equivalents approximated their carrying amount. The Group and the Company have not pledged current and future cash flows.

17. Issued capital

As at 31 December 2025 and 2024, the issued capital of the Company amounted to EUR 189,631 thousand and was divided into 653,900,000 ordinary registered shares with the nominal value of EUR 0.29 each. All the shares as at 31 December 2025 and 2024 were fully paid.

Capital management

Capital consists of equity recorded in the statement of financial position. According to the Law on Companies of the Republic of Lithuania, the equity of the Company must account for at least ½ of the amount of the authorised share capital. As at 31 December 2025 and 2024, the Company and all companies of the Group complied with this requirement.

The Company's and the Group's main objective when managing capital is to maintain an optimal capital structure in order to ensure ability to continue as a going concern, minimisation of the cost of capital and risk. The structure of the capital of the Group companies is formed taking into consideration demand for operating activities, planned investments and development.

The Company's Board approved the dividend policy, which sets uniform principles for the payment of dividends for all companies of the Group to ensure sustainable growth of the value of the business of the Group and its companies, long-term benefit to the shareholders, achievement of long-term and short-term objectives. The dividend policy is one of the capital risk management tools. According to the dividend policy, the allocation of dividends depends on the return on the companies' equity, availability of financial resources for payment of dividends, implementation of projects important for the State and other circumstances. At least 60% of net profit is allocated for the payment of dividends, depending on the return on equity and other conditions affecting the company's solvency.

The allocation of the Company's dividends for 2022-2026 is regulated by Resolution No 208 of the Government of the Republic of Lithuania of 29 March 2023 On the payment of dividends by EPSO-G UAB for the shares held by the State by the right of ownership. Under the provisions of this Resolution, the holders of the Company's shares can each year allocate 0.5% of profit to be appropriated

for the payment of dividends, if EPSO-G UAB implements or participates in the implementation of an economic project of state importance recognised by the decision of the Government of the Republic of Lithuania, or implements a project of state importance recognised by the decision of the Parliament of the Republic of Lithuania, or if, after the payment of a dividends, the liabilities referred to in the decision would exceed the Group's consolidated equity capital.

There were no changes in capital management objectives compared to previous years.

18. Revaluation reserve

The revaluation reserve arises from revaluation of property, plant and equipment due to the value increase.

(All amounts are in EUR thousand unless otherwise stated)

Group	Revaluation reserve	Deferred tax	Less: deferred income tax
Balance as at 1 January 2024	**31,184**	**(4,679)**	**26,504**
Depreciation of revaluation reserve	(3,020)	453	(2,566)
Revaluation of property, plant and equipment	(22)	3	(19)
Revaluation reserve write-off	(25)	4	(21)
Change in deferred tax tariff	-	(280)	(280)
Balance as at 31 December 2024	**28,117**	**(4,499)**	**23,618**
Depreciation of revaluation reserve	(2,206)	357	(1,849)
Revaluation reserve write-off	(106)	17	(89)
Change in deferred tax tariff	-	(262)	(262)
Balance as at 31 December 2025	**25,806**	**(4,388)**	**21,418**

19. Legal and other reserves

Legal reserve

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of not less than 5% of net profit are required until the reserve reaches 10% of the issued capital. The legal reserve can only be used to cover future losses. In 2025, the Company's legal reserve was increased by EUR 2,213 thousand, and in 2024, by EUR 1,241 thousand (5% of the net profit of a respective year). As at 31 December 2025, the Company's legal reserve was not fully formed.

Other reserves

Other reserves are formed based on the decision of the shareholder (i.e. for the purpose of business development) and can be redistributed during the distribution of the next year's profit.

On 1 April 2025, the Ordinary General Meeting of Shareholders of EPSO-G approved the proposal to transfer from other reserves to distributable result EUR 28,614 thousand and EUR 70,267 thousand to other reserves , including EUR 70,085 thousand for future investments, and EUR 182 thousand for financial support.

On 30 April 2024, the Ordinary General Meeting of Shareholders of EPSO-G approved the proposal to transfer EUR 28,064 thousand from retained earnings to other reserves for future investments, and EUR 500 thousand for financial support.

The Ordinary General Meetings of Shareholders of the Group companies in 2025 adopted decisions to tranfer EUR 43,554 thousand from retained earnings to other reserves for future investments, (2024: EUR 9,957 thousand to the retained earnings).

20. Dividends

As indicated in Note 17, the Company is eligible to allocate 0.5% of profit to be appropriated for the payment of dividends to the holders of its shares for the period 2022-2026 under Resolution No 208 of the Government of the Republic of Lithuania of 29 March 2023 On the payment of dividends by EPSO-G UAB for the shares held by the State by the right of ownership.

On 13 April 2025, the Ordinary General Meeting of Shareholders of EPSO-G UAB approved the distribution of the Company's profit (loss) for 2025. EUR 393 thousand was allocated to dividends for the year ended 31 December 2024. Dividends per share amounted to EUR 0.0006 .

On 13 April 2024, the Ordinary General Meeting of Shareholders of EPSO-G approved the distribution of the Company's profit (loss) for 2023. EUR 196 thousand was allocated to dividends for the year ended 31 December 2023. Dividends per share amounted to EUR 0.0003.

In 2025, dividends paid by the Group companies to the Group's non-controlling interest amounted to EUR 982 thousand, and, in 2024, EUR 1,505 thousand.

21. Grants

Grants comprise grants for the acquisition of non-current assets and compensation of expenses. Movements in grants in 2025 and 2024 were as follows:

All amounts are in EUR thousand unless otherwise stated	Group	
	31/12/2025	31/12/2024
Opening balance		
Grants receivable (Note 15)	30,287	52,199
Grants received in advance (non-current liabilities) (Note 29)	(3,469)	-
Grants received in advance (current liabilities) (Note 29)	(635)	(28,583)
	26,183	**23,616**
Recognised grants		
Transfer to property, plant and equipment (Note 7)	85,546	157,665
Other transfers	-	(605)
Transfer to intangible assets (Note 6)	1,171	1,911
Grants used for compensation of expenses (Note 31)	4	1,742
	86,721	**160,713**
Grants received		
Monetary grants (CFS investment activity)	(2,547)	(86,142)
Congestion revenue transferred to grants (Note 27)	(53,142)	(43,498)
Monetary grants for compensation of expenses (CFS main activity)	-	(1,546)
	(55,689)	**(131,186)**
Grants received in the form of assets	**(26,143)**	**(26,960)**
Closing balance		
Grants receivable (Note 15)	33,583	30,287
Grants received in advance (non-current liabilities) (Note 29)	-	(3,469)
Grants received in advance (current liabilities) (Note 29)	(2,511)	(635)
	31,072	**26,183**

22. Borrowings

The Group's and the Company's borrowings comprised as follows:

All amounts are in EUR thousand unless otherwise stated	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Non-current borrowings	**129,706**	**152,205**	**111,706**	**74,893**
Bonds issued	74,937	74,893	74,937	74,893
Bank borrowings	54,769	77,312	36,769	-
Current borrowings	**60,830**	**13,425**	**179,908**	**292,483**
Current portion of non-current borrowings from financial institutions	59,312	11,792	-	-
Interests accrued on loans from financial institutions	192	307	3	-
Interests accrued on bonds	1,326	1,326	1,326	1,326
Group's current cash pool	-	-	178,372	290,569
Accrued interest on Group's cash pool	-	-	207	588
Total borrowings	**190,536**	**165,630**	**291,614**	**367,376**

Non-current borrowings by maturity:

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
1-2 years	78,937	9,649	74,937	-
2-5 years	12,000	103,841	-	74,893

After 5 years	38,769	38,715	36,769	-
Total	**129,706**	**152,205**	**111,706**	**74,893**

On 1 June 2022, the Company placed a EUR 75 million worth five years' duration sustainability-linked bond issue. The bonds pay an annual coupon rate of 3.117%. During 2025, expenses related to interest on the bonds issued amounted to EUR 2,338 thousand (2024: EUR 2,338 thousand).

As at 31 December 2025, the Group had long-term loans with the European Investment bank, the Nordic Investment Bank and Swedbank, with the total outstanding balance of EUR 114,273 thousand (as at 31 December 2024, EUR 89,411 thousand. As at 31 December 2025, the Group's fixed-rate borrowing amounted to EUR 59,815 thousand (as at 31 December 2024, EUR 69,023 thousand,, and variable rate borrowings to EUR 54,458 thousand (2024: EUR 20,388 thousand.. Variable interest rates are linked to 3- and 6-month EURIBOR.

As at 31 December 2025, the Company had long-term loan with Swedbank, with the total outstanding balance of EUR 36,769 thousand. Interest rate on the loan was linked to the 3-month EURIBOR.

As at 31 December 2025, the Group companies granted loans to the Company under the cash pool arrangement in the total amount of EUR 178,372 thousand (at 31 December 2024, EUR 290,569 thousand). Interest rate on the loans granted to the Company by the Group companies was linked to ESTR (euro short-term rate).

As at 31 December 2025 and 2024, the Group and the Company did not have assets pledged under the loan agreements.

The Group companies' loan agreements with the Nordic Investment Bank (NIB) and the European Investment Bank (EIB) include financial covenants to which separate Group companies are subject to. As at 31 December 2025, LITGRID complied with all financial covenants. However, Amber Grid did not comply with the net interest coverage ratio under its EIB loan agreement, and did not comply with both the net interest coverage ratio and the debt-to-EBITDA ratio under its NIB loan agreement.

On 18 December 2025, the EIB issued a waiver specifically in respect of the net interest coverage ratio non-compliance under Amber Grid's EIB loan agreement, without affecting the Bank's rights related to any other event of default.

No waiver was obtained from NIB. Instead, on 22 December 2025, NIB, the Company (EPSO-G) and Amber Grid entered into a tripartite debt transfer agreement to transfer the NIB loan of EUR 10,870 thousand from Amber Grid to the Company, with a stipulation that compliance with the financial covenants under Amber Grid's original NIB loan agreement would no longer be required once effective. The Company and Amber Grid also entered into an internal loan agreement on the same terms as Amber Grid's original NIB loan agreement.

As at 31 December 2025, the tripartite agreement had not yet come into effect, as it contained a condition precedent requiring EIB consent to the transfer of Amber Grid's and LITGRID's NIB loans to the Company, which had not been obtained by the reporting date. Consequently, the covenant breach under Amber Grid's original NIB loan agreement remained unresolved, and NIB retained the right to demand immediate repayment. Amber Grid therefore reclassified the long-term portion of the NIB loan of EUR 8,696 thousand to current financial liabilities.

In addition, Amber Grid's EIB loan agreement contains a cross-default clause triggered by covenant breaches under Amber Grid's other borrowing arrangements, including its NIB loan agreement. As the NIB breach remained unresolved, this clause was triggered, and Amber Grid reclassified EUR 40,967 thousand of the EIB loan from non-current to current financial liabilities.

The Group companies did not have any loans secured by the State guarantee.

23. Lease liabilities

The Group's and the Company's lease liabilities and their movements:

	Group		Company	
	31/12/2025	**31/12/2024**	**31/12/2025**	**31/12/2024**
Opening carrying amount	11,885	10,881	551	701
Concluded lease contracts	1,422	2,669	-	-
Terminated lease contracts	(10)	-	-	-
Interest charged	294	284	19	19
Lease payments (principal)	(2,607)	(2,258)	(157)	(150)
Interest paid	(294)	(284)	(19)	(19)
Indexation	(2)	593	12	-
Closing carrying amount	**10,688**	**11,885**	**406**	**551**
Non-current lease liabilities	8,342	9,579	252	397
Current lease payments	2,346	2,306	154	154

Future lease payments under non-cancellable lease contracts are as follows:

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Total lease liabilities:	**10,688**	**11,885**	**406**	**551**
Current portion	2,346	2,306	154	154
Maturities of non-current liabilities:	**8,342**	**9,579**	**252**	**397**
1-2 years	1,056	1,919	135	150
2-3 years	646	833	116	132
3-5 years	753	692	1	115
After 5 years	5,887	6,135	-	-

The Group's interest calculated on lease liabilities and included in finance costs amounted to EUR 294 thousand during the 2025.

24. Net debt

Reconciliation of net debt balances and cash flows from financing activities as at 31 December 2025 and 2024:

All amounts are in EUR thousand unless otherwise stated

Group	Cash	Other liquid assets	Borrowings	Lease liabilities	Total
Net debt at 31 December 2023	**123,236**	**-**	**(195,893)**	**(10,881)**	**(83,538)**
Acquisition (proceeds from borrowings, new leases)	-	-	-	(2,669)	(2,669)
Lease indexation	-	-	-	(593)	(593)
Increase (decrease) in cash and cash equivalents	(21,674)	-	-	-	(21,674)
Acquisition of other liquid assets	-	680,802	-	-	680,802
Disposal of other liquid assets	-	(539,987)	-	-	(539,987)
Other changes					
Interest charged	-	1,169	-	-	1,169
Interest received	-	(1,169)	-	-	(1,169)
Change in overdraft	-	-	17,981	-	17,981
Repayment of borrowings	-	-	12,061	-	12,061
Lease payments	-	-		2,258	2,258
Other changes					
Interest charged	-	-	(4,844)	(284)	(5,128)
Interest paid	-	-	5,065	284	5,349
Net debt at 31 December 2024	**101,562**	**140,815**	**(165,630)**	**(11,885)**	**64,862**
Acquisition (proceeds from borrowings, new leases)			(36,813)	(1,422)	(38,235)
Lease indexation/modification				2	2
Terminated lease contracts				10	10
Increase (decrease) in cash and cash equivalents	(50,269)	-	-	-	(50,269)
Acquisition of other liquid assets	-	130,000	-	-	130,000
Disposal of other liquid assets	-	(210,815)	-	-	(210,815)
Other changes					
Interest received	-	(3,475)	-	-	(3,475)
Interest charged	-	3,585	-	-	3,585
Repayment of borrowings	-	-	11,789	-	11,789
Lease payments	-	-	-	2,607	2,607
Interest charged (expensed and capitalised)	-	-	(4,831)	(294)	(5,125)
Interest paid	-	-	4,949	294	5,243
Net debt at 31 December 2025	**51,293**	**60,110**	**(190,536)**	**(10,688)**	**(89,821)**

In the management's opinion, when analysing the net debt level for management purposes, financial debt in the calculation formula is reduced not only by cash and cash equivalents, but also by liquid assets (Note 14) consisting of highly liquid and low-risk instruments, i.e. deposits with a maturity of more than 90 days or government securities of countries with high credit ratings with a maturity of up to 360 days. The composition of the components used in the calculation of the indicator was chosen taking into account the fact that these

financial instruments can be converted into cash within a very short period of time and without incurring any or insignificant financial losses.

(All amounts are in EUR thousands unless otherwise stated) Company	Cash	Other liquid assets	Borrowings		Lease liabilities	Total
			Financial institutions	Group companies		
Net debt at 31 December 2023	**120 015**	**-**	**(94,157)**	**(214,806)**	**(701)**	**(189,649)**
Collection of loans granted to Group companies	-	-	-	(76,427)	-	(76,427)
(Decrease) in cash and cash equivalents	(21,224)	-	-	-	-	(21,224)
Acquisition of other liquid assets	-	674,987	-	-	-	674,987
Disposal of other liquid assets	-	(539,987)	-	-	-	(539,987)
Other changes						
Interest charged	-	1,059	-	-	-	1,059
Interest received	-	(1,059)	-	-	-	(1,059)
Lease payments	-	-	-	-	150	150
Amortisation of bond liability	-	-	(44)	-	-	(44)
Change in overdraft	-	-	17,981	-	-	17,981
Interest charged (included in expenses and capitalisation)	-	-	(3,578)	(6,033)	(19)	(9,630)
Interest paid	-	-	3,579	6,109	19	9,707
Net debt at 31 December 2024	**98,791**	**135,000**	**(76,219)**	**(291,157)**	**(551)**	**(134,136)**
Loans received	-	-	(36,813)	-	-	(36,813)
Lease indexation	-	-	-	-	(12)	(12)
(Decrease) in cash and cash equivalents	(49,002)	-	-	-	-	(49,002)
Acquisition of other liquid assets	-	130,000	-	-	-	130,000
Disposal of other liquid assets	-	(205,000)	-	-	-	(205,000)
Other changes						
Interest received	-	(3,475)	-	-	-	(3,475)
Interest charged	-	3,585	-	-	-	3,585
Repayment of borrowings	-	-	-	112,198	-	112,198
Lease payments	-	-	-	-	157	157
Change in overdraft	-	-	-	-	-	-
Interest charged	-	-	(3,355)	(4,205)	(19)	(7,579)
Interest paid	-	-	3,352	4,585	19	7,956
Net debt at 31 December 2025	**49,789**	**60,110**	**(113,035)**	**(178,579)**	**(406)**	**(182,121)**

25. Trade payables

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Payables for electricity	30,260	45,522	-	-
Payables for natural gas	4	1,513	-	-
Payables in performing natural gas balancing	1,378	2,253	-	-
Payables for sub-contracting work, services	3,590	2,073	-	-
Payables for property, plant and equipment	36,716	50,757	12	-
Other trade payables	9,789	17,359	234	203
Carrying amount	**81,737**	**119,477**	**246**	**203**

The fair value of trade payables approximates their carrying amounts.

As at 31 December 2025, debts for electricity were by 34% lower than as at 31 December 2024 due to decrease in payables for ancillary electricity transmission services and investments.

As at 31 December 2025, debts for natural gas balancing services were by 39% lower than as at 31 December 2024 due to decrease in prices for natural gas and balancing services. Payments for natural gas are made through the settlement account dedicated to the

natural gas exchange, maintaining the required cash balance. Payments for gas purchased on the exchange are settled on the next working day.

26. Other financial liabilities at amortised cost

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Non-current liabilities		
Non-current trade payables	261	-
Carrying amount	**261**	**-**
Current liabilities		
Security deposits received	14 058	13 505
Dividends payable	746	665
Payable CBCA contribution	-	27 450
Accrued expenses	1 524	1 031
Other payables and liabilities	1	1 875
Carrying amount	**16 329**	**44 526**
Totalcarrying amount of liabilities	**16 590**	**44 526**

27. Liabilities for congestion management revenue

(All amounts are in EUR thousand unless otherwise stated)	31/12/2025	31/12/2024
Liabilities for congestion management revenue as at 1 January	390,118	301,074
Congestion management revenue received during the period	99,676	134,856
Used to finance property, plant and equipment	(53,142)	(43,498)
Proceeds from congestion management recognised as revenue during the period	(2,503)	(2,314)
Congestion management revenue used for tariff reductions*	(34,471)	-
Liabilities for congestion management revenue as at 31 December	**399,678**	**390,118**
Non-current portion of liabilities for congestion management revenue	312,406	308,802
Current portion of liabilities for congestion management revenue	**87,272**	**81,316**

The principles of the receipt and use of congestion management revenue are set out in Note 2.14. A revenue balance unused according to the purposes set out in Regulation (EC) No 714/2009 of the European Parliament and of the Council amounted to EUR 399,678 thousand as at 31 December 2025, and EUR 390,118 thousand as at 31 December 2024.

* On 27 September 2024, by Resolution No O5E-925 Regarding the Adjustment of the Service Price Cap of Litgrid AB in 2025 and the Price Set for the Use of Interconnection Services for 2025, NERC allocated EUR 34,471 thousand for transmission tariff reduction in 2025.

In the statement of cash flows for 2025, the EUR 64,414 thousand congestion management revenue, allocated to the investments, were reported under investing activities (2024: the EUR 135,670 thousand congestion management revenue, allocated to finance investments, were reported under investing activities). The EUR 34,471 thousand amount of congestion management revenue allocated to reduce transmission tariff, were reported under operating activities (included in the value of item "net profit", as revenue were recognized) in the statement of cash flows for 2025.

The current portion of liabilities is expected to be settled (used) within 12 months.

28. Provisions

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Provisions for pension benefits to employees	1,874	1,655
Provisions for servitude liabilities	132	45
Provisions for registration of protection zones	524	369
Provisions for litigations/claims	6,545	14,853
Provisions for warranties	1,252	1,252
Other provisions	155	250
Carrying amount	**10,482**	**18,424**

Non-current provisions	3,080	2,836
Current provisions	7,402	15,588

Description of the Group's provisions and the expected timing of realisation of economic benefit:

All amounts are in EUR thousand unless otherwise stated	Provisions for pension benefits	Provisions for servitude compensations	Provisions for registration of protection zones	Provision for warranties	Provisions for litigations	Other provisions	Total
Carrying amount at 31 December 2023	**1,341**	**419**	**532**	**1,242**	**11,054**	**150**	**14,738**
Calculated	19	-	-	-	5,815	110	5,944
Revised estimate	295	(287)	(152)	10	-	-	(134)
Payments made	-	(87)	(11)	-	(1,358)	(10)	(1,466)
Reclassification of trade debts	-	-	-	-	(658)	-	(658)
Carrying amount at 31 December 2024	**1,655**	**45**	**369**	**1,252**	**14,853**	**250**	**18,424**
Calculated	4	-	232	-	-	-	236
Revised estimate	214	113	(32)	-	-	-	295
Reversed	-	-	-	-	(6,774)	-	(6,774)
Payments made	-	(26)	(45)	-	(1,964)	(94)	(2,129)
Reclassification of trade debts	-	-	-	-	430	-	430
Carrying amount at 31 December 2025	**1,873**	**132**	**524**	**1,252**	**6,545**	**156**	**10,482**

Provisions for litigations

In prior periods, a contract for the purchase of contract work was executed under which the Group's operator of the battery energy storage system, in line with the provisions of the purchase contract, charged default interest to the seller. The provision of EUR 9,038 thousand was established for the activated performance guarantee. A dispute arose over the total amount of default interest, and the contractor brought a claim before the court. On 26 September 2025, the parties reached an amicable agreement, under which the Group undertook to pay the contractor EUR 3,558 thousand, provided that parties fulfill their obligations under the contract on the specified dates. By 31 December 2025 the Group had paid the contractor EUR 2,828 thousand of which EUR 863 thousand was covered trade payables and EUR 1,964 thousand was paid using provisions account. By amount of EUR 6,774 thousand was reversed provision and recognised as other income The remaining amount of 730 thousand will be paid in 2026 after the contractor has eliminated the defects and additional work is performed.

As at 31 December 2024 and 2025 provisions for litigations also included the provision of EUR 5,815 thousand recognised by the natural gas transmission system operator in 2024 for potential repayments of funds received under guarantee from contractor. The funds are planned to be used for the potential replacement of the Lithuanian-Polish gas pipeline interconnectors.

Provisions for pension benefits

Each employee of retirement age who terminates his/her employment with the Group upon retirement is entitled to receive a payment equal to 2-4 monthly salaries as stipulated in the Lithuanian laws and the Collective Agreement. The term of the non-current provision is calculated for each employee using actuarial assumptions: age of the employee, probability of death, employee turnover rate, discount rate (31 December 2025: 0.96%; 31 December 2024: 1.24%), long-term salary growth rate (31 December 2025: 2.8%; 31 December 2024: 3%).

Provisions for servitude compensations and registration of protected zones

Expenses related to provisions for servitudes are recognised as non-current intangible assets taking into consideration the amounts of compensation. Compensation payments to land owners are accounted for as a decrease in provisions, while remeasurement of provisions due to changes in underlying assumptions is recorded as a change in respective intangible asset (Note 6).

Expenses related to provisions for registration of protection zones are recognised as non-current intangible assets taking into consideration the amounts of compensation. Payments related to registration of protection zones are recorded as decreases of provision, while remeasurement of provision due to changes in underlying assumptions is recorded as change in respective intangible asset (Note 6).

As at 31 December 2025, the provisions for servitude compensations and registration of protected zones were calculated using a discount rate of 2.09%, and, as at 31 December 2024, a discount rate of 1.74%.

Provisions for warranties

In the Group, provisions for warranties are established for ongoing contract works on energy projects, given the nature of the services performed, and are calculated as a 30% portion of the value of works accepted and performed by the client. In 2025, the provisions for warranties were reviewed under the standard Group's procedure applicable to collective project assessment, however, there were no material changes in the provisioning.

29. Other liabilities (non-financial)

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Non-current liabilities		
Prepayments received from connection of new consumers	9,381	11,005
Grants received in advance	-	3,469
Contractual obligations under connection agreements	3,528	1,841
Total other (non-financial) non-current liabilities	**12,909**	**16,315**
Current liabilities		
Administered PSO funds payable	3,979	3,486
Difference between PSO funds received and paid	27,892	35,907
Administered LNG terminal funds payable	8,146	10,794
Accrued administered LNG terminal funds	116	833
Accrued administered Emergency intervention funds	13,847	12,714
Employment-related liabilities, including accrued financial incentive	6,992	5,816
Accrued expenses relating to vacation reserve	5,318	4,950
Taxes payable to the State budget, except for Corporate Income tax	9,134	1,649
Fee payable to the regulator	811	818
Grants received in advance	2,511	635
Prepayments received from connection of new consumers	10,361	874
Other prepayments received for services provided	694	335
Contract liabilities (deferred income)*	2,684	538
Total other (non-financial) current liabilities	**92,485**	**79,349**

In implementation of the Council Regulation (EU) 2022/1854 of the European Union adopted on 6 October 2022 on emergency intervention to reduce energy prices, the Law on the Implementation of Regulation (EU) 2022/1854 was adopted on 15 December 2022. By this Law, the Group was entrusted with collecting from electricity producers a share of the market revenue surplus received by them in the period from 1 December 2022 to 30 June 2023. It also collected a solidarity contribution from companies operating in the crude oil, natural gas, coal and oil refining sectors. The contribution is calculated in accordance with the procedure established by Regulation (EU) 2022/1854 and the law from the 2023 part of the taxable profit of the tax year that has begun.

In 2025 significantly increased contract liabilities (deferred income) for the connection of new consumers/producers/facilities due to one of the largest railway infrastructure modernisation projects in Lithuania implemented by LTG Infra AB.

30. Current and deferred income tax

Income tax expenses comprised as follows:

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Income tax benefit (expenses) for the period	184	(213)	-	-
Change in deferred tax expenses	6,765	6,266	557	961
Income tax benefit for the reporting period	**6,949**	**6,053**	**557**	**961**

The movement in deferred tax assets and liabilities prior to offsetting the balances with the same fiscal authority was as follows:

(All amounts are in EUR thousand unless otherwise stated)

Group Deferred tax assets:	PP&E revaluation (impairment)	Impairment for other assets	Congestion management revenue	Differences in depreciation rates	Unused investment relief	Accumulated tax loss	Other	Total
31/12/2023	**7,452**	**351**	**2,320**	**67**	**3,613**	**2,333**	**1,965**	**18,101**
Recognised in profit or loss	(1,424)	12	139	1,779	6,251	(1,926)	971	5,802
31/12/2024	**6,028**	**363**	**2,459**	**1,846**	**9,864**	**407**	**2,936**	**23,903**
Recognised in profit or loss	(667)	89	95	1,120	5,567	(407)	611	6,408
31/12/2025	**5,361**	**452**	**2,554**	**2,966**	**15,431**	**-**	**3,547**	**30,311**

Deferred tax liabilities	Revaluation of PP&E (increase in value)	Tax relief on acquisition of PP&E	Other	Total
31/12/2023	**(4,791)**	**(1,127)**	**(78)**	**(5,996)**
Recognised in profit or loss	450	29	(60)	419
Recognised in other comprehensive income	(284)	-	-	(284)
31/12/2024	**(4,625)**	**(1,098)**	**(138)**	**(5,861)**
Recognised in profit or loss	371	44	(58)	357
Recognised in other comprehensive income	(263)	-	-	(263)
31/12/2025	**(4,517)**	**(1,054)**	**(196)**	**(5,767)**

Deferred tax assets, net, as at 31 December 2024	**18,042**
Deferred tax assets, net, as at 31 December 2025	**24,544**

Below are the periods when deferred tax asset is realised and liability is settled:

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Deferred tax assets:		
Deferred tax asset to be realised after more than 12 months	24,316	14,600
Deferred tax asset to be realised within 12 months	5,986	9,303
Total:	**30,302**	**23,903**
Deferred tax liability to be settled after more than 12 months	(5,571)	(5,722)
Deferred tax liability to be settled within 12 months	(196)	(139)
Total:	**(5,767)**	**(5,861)**

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Profit (loss) before taxation	**30,826**	**48,834**	**31,097**	**43,298**
Income tax calculated at a rate of 16%/15%	4,932	7,325	4,976	6,495
Effect of investment incentive**	(10,061)	(11,586)	-	-
Effects of non-deductible expenses	762	(270)	100	150*
Effect of non-taxable income*	(1,057)		(6,012)	(7,658)
Adjustments to previous financial years	(331)	(131)	-	-
Effect of unrecognised tax losses	490	-	383	52
Effect of changes in income tax tariff	(1,684)	(1,391)	(4)	-
Income tax expenses/(benefit) in profit or loss	**(6,949)**	**(6,053)**	**(557)**	**(961)**
Income tax expenses/(benefit) in other comprehensive income	**263**	**284**	**-**	**-**

* The Company's income tax calculations for 2025 included non-taxable income representing dividends received from subsidiaries and associates in the amount of EUR 37,573 thousand (2024: EUR 48,286 thousand).

**The Group's effect of investment incentive comprises benefits from the Lithuanian investment incentive, which allows a reduction of taxable profit by up to 100% of qualifying capital investments in fixed assets.

31. Revenue

The Group's revenue included as follows:

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024 Restated
Group's revenue from contracts with customers		
Revenue from electricity transmission and related services		
Electricity transmission services	99,732	128,973
Trade in balancing/imbalance electricity	168,993	128,376
Negative trade in balancing/imbalance electricity revenue *	(58,619)	(25,723)
Ancillary electricity services	180,128	139,069
Revenue from other sales of electricity and related services	2,865	2,764
Total revenue from electricity transmission and related services:	***393,099***	***373,459***
Revenue from natural gas transmission and related services		
Natural gas transmission services	59,426	61,231
Revenue from transmission system balancing service	9,933	12,879
Revenue from connection of new customers	108	76
Total revenue from natural gas transmission and related services:	***69,467***	***74,186***
Other revenue from contracts with customers		
Revenue from construction, repair and technical maintenance services	21,195	24,346
Revenue from the biofuel exchange, thermal energy auctions, PSO funds administration and other revenue	2,084	2,006
Total other revenue:	***23,279***	***26,352***
Total Group's revenue from contracts with customers:	***485,845***	***473,997***
Group's revenue not attributable to contracts with customers		
Congestion management revenue used for tariff reductions on decision of regulator	34,471	-
Congestion revenue recognised compensating for the cost incurred	2,503	2,314
Other services related to electricity	661	(322)
Revenue from connection of producers and relocation of electrical installations	35	14
Other income	170	154
Total revenue not attributable to contracts with customers:	***37,840***	***2,160***
Total Group revenue:	***523,685***	***476,157***

Revenue from electricity transmission and related services increased by 14% in 2025, including congestion management revenue used for tariff reduction, compared to 2024, including:

- Revenue from ancillary electricity transmission services increased by 29% due to a higher ancillary services acquisition component in the transmission service price.
- Revenue from electricity transmission services (including the EUR 34,471 thousand congestion management revenue used in 2025 to reduce transmission tariff) increased by 4%.
- Revenue from balancing/imbalance energy sale increased by 8% due to higher sales of electricity.

Imbalance pricing has changed since October 2024, when the Electricity Transmission System Operator (EE TSO) connected to a single European platform for the exchange of balancing energy from frequency restoration reserves with manual activation (MARI). The neutrality component, which is added to (deducted from) the balancing energy reference price, before the connection to MARI, was calculated based on the actual balancing trade data for the reporting month, to socialise the expenses and/or income, which the Baltic EE TSO incurred. After the connection to MARI, the neutrality component is calculated in advance and adjusted for subsequent months

using actual data from previous months, which may result in a significant difference between the balancing and imbalance income and expenses during the reporting period.

.*Negative electricity revenue (debit amount) arises during periods when electricity generation significantly exceeds consumption, creating a supply surplus that drives market prices into being negative and therefore electricity deliveries by the Group are made at negative market prices

In 2025 year 96 percent of negative income was made up of balancing energy income. During oversupply conditions, the transmission system operator instructs producers to reduce generation (downward balancing). The compensation for this service is determined by the marginal auction price, which becomes negative due to producers' costs associated with curtailing production and/or negative electricity exchange prices. . The imbalance price is calculated by adding (when consumption demand exceeds generation supply) or subtracting (when generation supply exceeds consumption demand) the neutrality component to the balancing price, therefore negative imbalance prices are formed if there is a negative balancing price and/or generation supply exceeds consumption demand.Compared to 2024, revenue from natural gas transmission and related services decreased by 6% in 2025. This drop was due to the lower natural gas transmission price

Compared to 2024, revenue from natural gas transmission and related services decreased by 6% in 2025. This drop was due to the lower natural gas transmission price. Compared to 2024, revenue from system balancing were lower by 23% due to a 35% decrease in the demand for balancing gas.

The Company's revenue from contracts with customers comprised revenue from the provision of management and professional services, which amounted to EUR 2,665 thousand in 2025 (EUR 2,315 thousand in 2024).

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Revenue recognised over time		
Electricity transmission and related services	489,388	401,188
Negative trade in balancing/imbalance electricity revenue	(58 619)	(25 723)
Natural gas transmission and related services	69,637	74,340
Revenue from performance of construction contracts	659	6,187
Revenue from repair and maintenance services	20,536	18,159
Total revenue recognised over time:	**521,601**	**474,151**
Revenue recognised at a point in time upon provision of services		
Revenue from, trading thermal energy auctions, PSO funds administration and other revenue	2,084	2,006
Total revenue recognised at a point in time upon provision of services:	**2,084**	**2,006**
Total revenue:	**523,685**	**476,157**

The Group's other income comprised as follows:

(All amounts are in EUR thousand unless otherwise stated)	Group	
	31/12/2025	31/12/2024
Revenue grants	4	1,742
Income from lease of assets	661	757
Interest on late payment and default charges	6,983	1,115
Other income	1,190	1,117
Total other revenue:	**8,838**	**4,731**

32. Expenses

The Group's electricity, natural gas and other services purchase expenses comprised the following:

(All amounts are in EUR thousand unless otherwise stated)	Group	
	2025	2024 Restated
Expenses for purchase of electricity services		
Expenses for purchase of balancing and imbalance electricity	(153, 028)	(134, 525)
Purchase of balancing and imbalance electricity at negative prices*	51,550	27,096
Expenses for ancillary electricity services	(179, 293)	(114, 214)

Expenses for electricity for technological needs	(37, 904)	(37, 869)
Expenses for electricity and related services	(5, 259)	(5, 459)
Total expenses for purchase of electricity services:	**(323, 934)**	**(264, 971)**
Purchase of natural gas services		
Purchase of natural gas for system balancing	(9, 571)	(13, 079)
Purchase of natural gas for technological needs*	(5, 029)	(3, 000)
Total purchases of natural gas services:	**(14, 600)**	**(16, 079)**
Total purchases of electricity, natural gas and other services:	**(338, 534)**	**(281, 050)**
Impact of changes in gas inventory balances	**(452)**	**(430)**
Expenses for subcontracting services	**(11, 544)**	**(13, 223)**

*Positive electricity expenses (credit amount) arises during periods when electricity generation significantly exceeds consumption, creating a supply surplus that drives market prices into being negative and therefore electricity purchases by the Group are made at negative market prices.

Purchases of electricity services in total grew by 21% in 2025 compared to 2024, including due to:

- the 57% increase in expenses for ancillary electricity transmission services (including negative expenses). The major impact resulted from the increase in expenses related the ensuring balancing capacities.
- Expenses for electricity for technological needs in 2025 compared with 2024 were almost at the same level, as average price of electricity was 20% higher but usage of electricity was 16% lower .

In 2025, compared to 2024, expenses for natural gas decreased by 6%. In 2025, expenses for balancing products decreased by 27% due to a lower demand for balancing gas. In 2025, expenses for technical needs increased by 83% due to a 38% higher volume of gas for technological needs and cost of gas.

Wages and salaries and related expenses

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	2025	2024	2025	2024
Wages and salaries	60,653	54,711	5,702	5,013
Social insurance expenses	1,163	1,033	,101	90
Total wages and salaries and related expenses:	**61,816**	**55,744**	**5,803**	**5,103**

(All amounts are in EUR thousand unless otherwise stated)	Group	
	2025	2024
Other expenses		
Taxes and charges	(10, 700)	(9, 694)
Telecommunication and IT expenses	(6, 705)	(5, 835)
Other expenses	(3, 077)	(4, 206)
Transport expenses	(2, 853)	(3, 244)
Insurance expenses	(1, 689)	(1, 718)
Premise expenses	(1, 566)	(1, 532)
Business protection expenses	(1, 533)	(1, 563)
Business trip expenses	(1, 284)	(1, 216)
Public relations	(1, 159)	(532)
Costs of variable payment	(1, 304)	-
Costs of emission permits	(1, 289)	(533)
Market coupling costs	(1, 089)	(805)
Membership fee	(948)	(843)
Personnel development expenses	(860)	(794)
Consultation service expenses	(817)	(1,710)
Expenses of governing bodies	(716)	(633)
Audit expenses	(334)	(328)
Total other expenses:	**(37, 923)**	**(35, 186)**

33. Finance expenses, net

All amounts are in EUR thousand unless otherwise stated	Group		Company	
	2025	2024	2025	2024
Finance income				
Interest income	4 387	5,334	6,132	7,105
	4,387	**5,334**	**6,132**	**7,105**
Finance costs				
Interest on borrowings	(4,734)	(5,084)	(7,560)	(9,546)
Other finance costs	(304)	(349)	(18)	(228)
	(5,038)	**(5,433)**	**(7,579)**	**(9,774)**
Total finance costs, net	**(651)**	**(99)**	**(1,447)**	**(2,669)**

34. Dividend income

All amounts are in EUR thousand unless otherwise stated	Company	
	2025	2024
Dividend income from subsidiaries	34,765	48,290
Dividend income from associates	2,808	2,342
Total dividends and income from investing activities	**37,573**	**50,632**

35. Related-party transactions

As at 31 December 2025 and 31 December 2024, the Group's and the Company's parent was the Republic of Lithuania represented by the Ministry of Energy of the Republic of Lithuania. For the purposes of the related-party disclosure transactions and balances with the government (i.e the Republic of Lithuania, its institutions, agencies and similar bodies whether local or national, as well as international) are not presented in these financial statements.

Disclosures comprise transactions and balances on transactions with the shareholder, the subsidiaries (in the Company's transactions), all government-related (controlled or significantly influenced) entities (the list of such companies is published at https://governance.lt/apie-imones/vvi-sarasas and transactions are disclosed only when the amount of transactions exceeds EUR 100 thousand during a calendar year) and the management and their family members.

Transactions with related parties are carried out under market conditions, in line with the tariffs approved under relevant legal acts or in accordance with the requirements of the Law on Public Procurement.

The Group's related-party transactions during the twelve-month period of 2025 and balances thereof as at 31 December 2025 were as follows:

(All amounts are in EUR thousand unless otherwise stated)	Purchases of services			Sales of services			Payables for services	Payables for LNG terminal funds and PSO funds*	Receivables for services	Receivables for LNG funds and PSO funds
Related parties	**Purchases**	**Purchases at negative prices**	**PSO and LNG funds deducted***	**Sales**	**Sales at negative prices**	**PSO and LNG funds credited***				
Ignitis group companies:										
Ignitis Grupė AB	-		-	-		-	-	-	-	-
Energijos Skirstymo Operatorius AB	2 464		4 132	272 697	(4)	(3 602)	2 705	576	32 394	40
Ignitis UAB	6 863	(4 117)	436	44 070	-	(1 029)	735	3 676	2 125	254
Ignitis Gamyba AB**	324 686	(54 897)	-	13 776	(10 011)	(1 426)	8 356	180	12 080	-
Ignitis Polska Sp.z.o.o.	-			40	-	-	-	-	-	-
Ignitis Grupės Paslaugų Centras UAB	-		-	327	-	-	-	-	33	-
Vilniaus Kogeneracinė Jėgainė UAB	1 507		-	455	-	-	121	-	69	-
Kauno Kogeneracinė Jėgainė UAB	507		-	88	-	-	47	-	2	-
Vėjas LT UAB	-			-	-		-	-	-	
Transporto Valdymas UAB	44		-	-	-	-	23	-	-	-
Other state-owned companies:					-					
State Enterprise Ignalina Nuclear Power Plant	-		-	1 140	-	(17)	18	2	114	-
STATE ENTERPRISE LITHUANIAN INLAND WATERWAYS AUTHORITY	570		-	-	-	-	-	-	-	
KN Energies AB	-		3 677	-	-	-	-	3 975	-	373
Via Lietuva AB	64				-			-	-	-
LTG Infra AB	1		-	240	-	(7)	11 529	1	85	-
Other state-owned enterprises	659		-	829	-	-	103	-	110	-
Total	**337 365**	**(59 014)**	**8 245**	**333 662**	**(10 015)**	**(6 081)**	**23 637**	**8 410**	**47 012**	**667**

* Group's PSO and LNG funds deducted are not presented in the Group's statement of profit or loss, as the Group acts as an agent in respect of these funds when collecting and allocating these funds.

**Receivables from Ignitis Gamyba AB is accounted only from positive value of sales. Sales at negative prices correspond with item of payables for services.

The Group provided services to the associated company UAB GET Baltic until the transfer date of shares in 2025 in amont of EUR 4,187 thousand and purchased natural gas inventory for technological needs and balancing in amount of EUR 10,376 thousand.

The Group's transactions conducted with the related parties during the twelve-month period of 2024 and balances arising on these transactions as at 31 December 2024 were as follows:

(All amounts are in EUR thousand unless otherwise stated)								
Related parties	**Purchases of services**	**PSO and LNG funds deducted***	**Sales of services**	**PSO and LNG funds credited***	**Payables for services**	**Payables for LNG terminal funds and PSO funds***	**Receivables for services**	**Receivables for LNG funds and PSO funds**
Ignitis group companies:								
Ignitis Grupė AB	-	-	-	-	-	-	-	-

Energijos Skirstymo Operatorius AB	4,057	25,179	259,132	150	29,236	291	3,465	15
Ignitis UAB	11,988	31,797	29,007	7,047	1,337	6,817	3,268	733
Ignitis Gamyba AB	151,979	-	6,676	8,568	1,068	-	28,040	864
Ignitis Grupės Paslaugų Centras UAB	301	-	-	-	33	-	-	-
Ignitis Polska Sp.z.o.o.	-	-	-	-	-	-	-	-
Vilniaus Kogeneracinė Jėgainė UAB	418	-	2,015	-	26	-	148	-
Kauno Kogeneracinė Jėgainė UAB	66	-	317	-	3	9	-	-
Vėjas LT UAB	97	-			1			
Transporto Valdymas UAB	91	-	-	-	8	-	-	-
Other state-owned companies:		-						
State Enterprise Ignalina Nuclear Power Plant	1,196	-	2	-	121	-	18	-
KN Energies AB	-	-	-	-	-	3,975	-	-
LTG Infra AB	806	-	60	-	85	-	4,891	-
Other state-owned enterprises	106	-	321	-	64	-	29	-
Total	**171,105**	**56,976**	**297,530**	**15,765**	**31,982**	**11,092**	**39,859**	**1,612**

* Purchases of the gas product of the gas exchange operator, as well as the Group's PSO and LNG funds deducted are not presented in the Group's statement of profit or loss, as the Group acts as an agent in respect of these funds when collecting and allocating these funds.

The Group provided services to the associated company UAB GET Baltic on 2024 in amont of EUR 2,128 thousand and purchased natural gas inventory for technological needs and balancing in amount of EUR 17,616 thousand.

The Company's related-party transactions during the twelve-month period of 2025 and the balances thereof as at 31 December 2025 were as follows:

(All amounts are in EUR thousand unless otherwise stated)

Related parties	Payables and accrued expenses	Receivables and accrued revenue	Sales	Dividend income	Loans granted/(received)	Finance income	Finance costs
State-owned companies							
Ignitis UAB	1						
Group companies							
LITGRID AB	204	253	1,071	24,095	(156,067)	-	3,728
Amber Grid AB	-	595	760	10,320	67,845	1,483	-
TETAS UAB	-	209	347		8,411	563	-
BALTPOOL UAB	29	49	170		(19,226)	-	449
EPSO-G Invest UAB	-	10	40				
Energy Cells UAB	3	55	277	350	(3,080)	22	29
Total:	**237**	**1,171**	**2,665**	**34,765**	**(102,117)**	**2,068**	**4,206**

The Company's related-party transactions during the twelve-month period of 2024 and the balances thereof as at 31 December 2024 were as follows:

(All amounts are in EUR thousand unless otherwise stated)

Related parties	Payables and accrued expenses	Receivables and accrued revenue	Sales	Dividend income	Loans granted/(received)	Finance income	Finance costs
State-owned companies							
Group companies							
Litgrid AB	588	210	923	28,521	(265,472)	-	6,182
Amber Grid AB		273	759	19,484	23,482	1,084	-
TETAS UAB	-	96	284	-	7,723	447	-
BALTPOOL UAB	62	36	168	169	(25,096)		977
Energy Cells UAB	-	89	302	117	1,379	495	-
Total:	**650**	**704**	**2,436**	**48,291**	**(257,984)**	**2,026**	**7,159**

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
Payments to key management personnel	**31/12/2025**	**31/12/2024**	**31/12/2025**	**31/12/2024**
Employment-related payments	4,294	3,981	953	929
Whereof: termination benefits	29	211	0	46
Number of key management personnel (average)	**35**	**32**	**7**	**7**

No loans, guarantees or any other benefits were paid or calculated, nor any assets were transferred to the Group's and the Company's management personnel in 2025 and 2024.

Key management personnel consists of the heads of administration and departmental directors. In 2025, payments to the members of the collegial management bodies amounted to EUR 688 thousand (2024: EUR 558 thousand).

As at 31 December 2025, the accrued vacation reserve attributable to the Company's management totalled EUR 80 thousand, and the financial incentives amounted to EUR 145 thousand.

36. Financial risk management

The Group and the Company are exposed to financial risks in their operations. In managing these risks, the Group and the Company seek to mitigate the impact of factors which could adversely affect the Group's and the Company's financial performance. The Group and the Company comply with the Treasury and Financial Risk Management Policy of the EPSO-G UAB Group, as approved by the Board of EPSO-G UAB.

Financial instruments by category (as per the statement of financial position)

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
Financial assets	**31/12/2025**	**31/12/2024**	**31/12/2025**	**31/12/2024**
Long-term loans granted to the EPSO-G Group companies (Note 14)	-	-	55,500	-
Trade receivables (Note 13)	70,433	65,106	618	549
Other financial assets at amortised cost (Note 14)	76,946	156,568	81,418	168,176
Cash and cash equivalents (Note 16)	51,293	101,562	49,789	98,791
Financial assets at amortised cost	**198,672**	**323,236**	**187,325**	**267,518**
Derivative assets at FVTPL	-	1,153	-	-
Total financial assets:	**198,672**	**324,389**	**187,325**	**267,518**

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
Financial liabilities	**31/12/2025**	**31/12/2024**	**31/12/2025**	**31/12/2024**
Loans and bonds issued (Note 22)	190,536	165,630	291,614	367,376
Lease liabilities (Note 23)	10,688	11,885	406	551
Trade payables (Note 25)	81,737	119,477	246	203
Other financial liabilities at amortised cost (Note 26)	16,590	44,526	-	-
Total financial liabilities at amortised cost	**299,551**	**341,518**	**292,266**	**368,130**
Derivative liability	-	654	-	-
Total financial liabilities:	**299,551**	**342,172**	**292,266**	**368,130**

Credit risk

As at 31 December 2025 and 31 December 2024, credit risk was related to the following line items:

(All amounts are in EUR thousand unless otherwise stated)	Group		Company	
	31/12/2025	**31/12/2024**	**31/12/2025**	**31/12/2024**
Financial assets at amortised cost*	198,672	323,236	187,325	267,518
Derivative assets	-	1,153	-	-
Credit risk	**198,672**	**324,389**	**187,325**	**267,518**

*Credit risk also relates to undrawn lending facility to the subsidiaries (disclosed under "Liquidity risk")

Credit risk arising from trade and other financial assets at amortised are disclosed in Notes 13 and 14.

The Group has a significant credit risk concentration, because exposure to credit risk is shared among 10 main customers, receivables from which accounted for approximately 82% as at 31 December 2025 (as at 31 December 2024: approximately 90%) of the Group's total trade receivables (financial assets). As at 31 December 2025, receivables from the major customer, distribution network operator

Energijos Skirstymo Operatorius AB, accounted for 46% (as at 31 December 2024, 30%) of the Group's total trade receivables (financial assets).

Credit risk is managed through regular monitoring procedures (individual supervision of debtors, monitoring and analysis of customers in order to identify potential solvency issues that may arise in the future, etc.). The Group companies have approved regulations for trade receivables management, which sets out specific actions and deadlines required for the reduction of trade receivables.

The table below provides the ratings of the banks where the Group and the Company hold their cash and cash equivalents (Note 16) and other financial assets (Note 14):

	S&P	Moody's	Balances at bank as at 31 Dec 2025		Balances at bank as at 31 Dec 2024	
			Company	Group	Company	Group
Swedbank	AA-	Aa2	40	829	27	178
SEB	AA-	Aa3	6	194	10	47
OP Corporate Bank	AA-	Aa3	29,122	29,571	68,608	71,114
Luminor		A3	20,621	20,699	30,146	30,223
Total			**49,789**	**51,293**	**98,791**	**101,562**

	S&P	Moody's	Term deposits as at 31 Dec 2025		Term deposits as at 31 Dec 2024	
			Company	Group	Company	Group
OP Corporate Bank	AA-	Aa3	20,000	20,000	40,000	45,815
Luminor		A3	40,000	40,000	50,000	50,000
Total			**60,000**	**60,000**	**90,000**	**95,815**

As at 31 December 2025 the Group and the Company had no debt securities (as at 31 December 2024 all Group's and Company's debt securities were from same geographical area in France, with the credit rating of AA- according to S&P).

Liquidity risk

The Group's policy is to ensure a sustainable financial position enabling to maintain an investment grade credit rating and provide sufficient liquidity, i.e. to ensure that the Group will have sufficient cash and/or committed credit facilities and overdrafts to meet its contractual obligations at any time. Liquidity risk is managed centrally by forecasting and regularly updating cash flows for the Group companies and by ensuring efficient management of liquid funds through the Group's account.

The Group's cash flows from operating activities were positive in 2025, therefore its exposure to liquidity risk is not significant. As at 31 December 2025, the Group's current ratio (total current assets / total current liabilities) and quick ratio ((total current assets – inventories) / total current liabilities) were 0.82 and 0.81, respectively (31 December 2024: 1.14 and 1.12, respectively). As at 31 December 2025, the Group's net debt was positive EUR 89,821 thousand..As indicated below, like the Company, the Group has overdraft contracts to meet its financial liabilities. Short-term liabilities exceeded short-term assets because of reclassification of Amber Grid long-term loans of the Nordic Investment Bank and the European Investment Bank to short-term liabilities. After receiving confirmation from the Nordic Investment Bank that the tripartite debt transfer agreement executed on 22 December 2025 entered into force on 25 February 2026, long-term loan agreements with the Nordic Investment Bank and the European Investment Bank will be reclassified from short-term to long-term financial liabilities, thus, the liquidity ratios will be restored.

As at 31 December 2025, the Company's current and quick ratios were 0.73 (31 December 2024: 0.91).

As at 31 December 2025, the Company and the Group had undrawn credit limit of EUR 100,000 thousand under the agreement with OP Corporate bank, effective until 29 April 2026. On 2 February 2026, the agreement was signed with OP Corporate bank to extend the credit limit for a further period of 12 months, i.e. until 29 April 2027. As at 31 December 2025, the Company's borrowing liabilities under the cash pool agreements with the subsidiaries LITGRID, Energy Cells and Baltpool amounted to EUR 178,372 thousand (with the undrawn portion of EUR 161,628 thousand). The Company's borrowing liabilities under the cash pool agreements are partly covered by unused overdraft from OP Corporate bank and constantly updated cash flows forecast of the Group. If unplanned financing needs within the Group is identified, additional liquidity reserve from commercial banks is formed. As at 31 December 2025, borrowing liabilities of Amber Grid and TETAS under the cash pool agreements with the Company amounted to EUR 20,256 thousand (with the undrawn portion of EUR 18,744 thousand).

The table below discloses the contractual maturities of the Group's and the Company's financial liabilities. This information has been prepared based on undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group	Less than 3 months	Between 4 months to 1 year	Between 2 and 5 years	More than 5 years	Total liabilities
31/12/2025					
Loans and bonds issued	54 ,922	11 ,134	100 ,491	40 ,944	**207,491**
Lease liabilities	705	1,872	2,894	10,223	**15,694**
Trade payables	75,435	6,302	-	-	**81,737**
Other financial liabilities at amortised cost	6,598	9,650	342	-	**16,590**
31/12/2024					
Borrowings	2,494	14,721	120,186	40,137	**177,538**
Lease liabilities	651	1,802	3,868	10,461	**16,782**
Trade payables	90,521	28,956	-	-	**119,477**
Other financial liabilities at amortised cost	33,615	9,082	654	-	**43,351**

(All amounts are in EUR thousand unless otherwise stated)

Company	Less than 3 months	Between 4 months to 1 year	Between 2 and 5 years	More than 5 years	Total liabilities
31/12/2025					
Borrowings	178,832	4,164	77,744	37,434	**298,174**
Lease liabilities	44	123	264	-	**431**
Trade payables	246	-	-	-	**246**
31/12/2024					
Borrowings	291,756	3,665	78,357	-	**373,778**
Lease liabilities	39	118	410	-	**567**
Trade payables	203	-	-	-	**203**

Interest rate risk

The Group is exposed to interest rate risk arising mainly non-current and current borrowings from financial institutions, partly linked to variable interest rates. Interest rate fluctuations may have impact on the Group's finance costs, cash flows, and performance. Given the Group's infrastructure and regulated activities, interest rate risk is a significant financial risk factor, subject to ongoing monitoring.

The Group's interest rate risk management is aimed at ensuring stable and predictable finance costs and reducing the negative impact of interest rate fluctuations on the Group's performance. Risk is managed through a diversified funding structure, combining fixed and variable rate commitments. The interest rate risk management complies with the provisions of Treasury and Financial Risk Management Policy approved by the Group, considering regulatory developments.

As at 31 December 2025, the Group's variable rate loans totalled EUR 54,458 thousand (as at 31 December 2024, EUR 20,388 thousand).

As at 31 December 2025, the Company's variable rate loans totalled EUR 36,769 thousand (as at 31 December 2024, EUR 0 thousand).

The increasing or decrease in interest rate by +/- 1 pp would result in decrease/increase the Group's pre-tax profit by EUR 545 thousand as at 31 December 2025 (2024: decrease/increase in pre-tax profit by EUR 204 thousand).

(All amounts are in EUR thousand unless otherwise stated)	Increase (decrease) ,pp	Increase (decrease) in profit
2025	1.0 (1.0)	(545)/545
2024	1.0 (1.0)	(204)/204

Fair value of financial assets and financial liabilities

The Group's and the Company's principal financial assets and liabilities not carried at fair value are trade receivables, other financial assets at amortised cost, cash and cash equivalents, loans, trade and other payables, and other financial assets.

The following methods and assumptions are used to estimate the value of each category of financial instruments that are not measured at fair value:

- The carrying amount of current trade receivables and other financial assets, cash and cash equivalents, loans to the related parties, current trade payables and other financial liabilities at amortised cost approximates their fair value (Level 3).
- The fair value of non-current borrowings is estimated based on the quoted market price for the same or similar loans or on the current interest rates available for debt with the same maturity profile. In making these estimates, the Company and the Group relied on interest rates published by the Bank of Lithuania. As at 31 December 2025, the fair value of the Group's non-current borrowings with fixed interest rates was approximately EUR 11,154 thousand lower than their

carrying amount (as at 31 December 2024, EUR 11,539 thousand). As at 31 December 2025, the outstanding balance of the Group's borrowings with the fixed interest rate was EUR 59,623 thousand (as at 31 December 2024, EUR 68,717 thousand). As at 31 December 2025, the fair value of issued debt bonds with fixed interest rate coupon was approximately EUR 1,853 thousand (2024: EUR 5,074 thousand) lower than their carrying amount.

37. Services provided by the audit firm

In the period of 2025 and 2024 the audit firm provided the following audit and non-audit services to the Group and to the Company: Information on non-audit services is disclosed based on the date of services rendered:

Type of services	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	Audit services, in EUR			
Audit of financial statements	275,000	269,000	44,000	41,000
Other services, related to audit services	59,000	59,000	59,000	59,000
Total audit services	**334,000**	**328,000**	**105,000**	**100,000**
	Non-audit services, in EUR			
Assurance and other related services	77,000	56,450	32,000	14,950
Other services	-	8,500	-	2,500
Total non-audit services:	**77,000**	**64,950**	**32,000**	**17,450**

38. Off-balance sheet commitments and contingencies

Civil case, in which the Group is the defendant, is pending on the claim of the claimant Alvora UAB, by which it request the Court to declare the claims of the defendant, i.e. the Group, for the payment of EUR 4,868 thousand on the basis of the guarantee obligations unlawful and unfounded, and the Group's claim (treated as a counterclaim), by which it request Alvora UAB to be ordered to pay EUR 4,820 thousand by way of damages, in addition to default interest on the awarded amount, and a fine for improper performance of the contract. At the moment, the proceedings are pending before the court of first instance.

The Group has received EUR 5.815 thousand in warranty performance security funds based on the claims submitted. However, a provision for the possible repayment of the same amount has been recognized in the provision account for a possible return of the guarantee funds. The Group considers that the bank guarantees were used duly in accordance with laws and terms and conditions of the contract, as defects were found in the work, which Alvora UAB refused to remedy. The proceeds from the guarantees will be used to remedy the defects found. In the event Alvora UAB remedies the defects found at its own expense until the outcome of the proceedings, the Group will reimburse the money to the claimant Alvora UAB received under the guarantees. The court has declared the case material non-public.

As indicated above, the Group has made the provision of EUR 5,815 thousand (Note 28) for potential repayments of funds received under the guarantee. The Group has not recognised contingent assets to cover additional losses in the action due to the high uncertainty of the outcome of the legal proceedings.

In the administrative case, the Group is challenging in court two decisions adopted by the National Energy Regulatory Council (NERC) following a non-routine inspection of the legality of the use of the GIPL pipeline interconnectors during construction and testing during operation: (i) Resolution approving the Inspection Report (the 'Report'), finding the infringements by the Group and imposing related obligations on the Group (including the replacement of the fittings found by the Report to be unsuitable); and (ii) Resolution finding that the Group has committed an infringement of a regulatory obligation and imposing a EUR 81 thousand fine. The Group seeks to prove that it did not commit the infringements of the regulated activities identified by NERC (the infringements were committed by the contractor for the construction of the GIPL gas pipeline) and there were no grounds for imposing the sanction. Notwithstanding the fact that the Group has not paid the fine imposed, because it is challenging NERC's decision to impose a penalty, the Group has acknowledged its financial obligation to pay a set amount of the fine, which has been recognised under other payables and liabilities. If the Group's submissions are rejected by the Court or upheld in part, the sanction will remain the same or will be reduced. The administrative proceedings were suspended by the court order until the final judgement in the said civil case becomes effective (see point 2). The court has declared the case material non-public.

Civil case based on Latvenergo AS's claim against the Group for EUR 102 thousand in compensation for the inability to use paid transmission services due to technical maintenance work performed by the Group in 2022–2023, as well as for the award of EUR 6 thousand in late payment interest. The Group disagrees with the claim. The case is pending before the court of first instance.

Civil case pursuant to UAB Deforta's claim against the Group for compensation of EUR 349 thousand losses (lost income), because the Group unlawfully excluded it from the public procurement tender for the cleaning of main gas pipeline routes from vegetation and declared another supplier the winner, as a result of which UAB Deforta lost the right to perform the contract. The Group disagrees with the claim. The case is pending before the court of first instance.

In October 2023, the arbitration proceedings were brought before the Arbitration Institute of the Stockholm Chamber of Commerce brought against several transmission system operators, including Group, which are still under way. The arbitration proceedings were started in respect of suspension of payments by the TSOs, adhering to international sanctions, disclosed under 'Payables for electricity' in Note 28. In accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce, the details are currently considered confidential

39. Climate change assessment

Natural gas activities

According to the Group's management, more stringent EU environmental policy requirements introduced in the context of combating climate change, promotion and development of renewable energy sources and more efficient use of energy will reduce consumption of natural gas for both energetic and industrial domestic needs. However, natural gas will play an important role as a transition energy in achieving European and national targets of reducing greenhouse gas (GHG) emissions. A key goal se in the Group's strategy is to work together on Lithuania's energy transformation towards a climate neutral economy. We see the transformation of the energy sector as a fundamental change. In the Group's strategy, we have set ourselves the goal to provide the infrastructure upon which the net-zero energy system will be based. One of the Group's main sustainable activity goals is the aim of reducing the impact of its activities on the environment: to reduce GHG emissions throughout its value chain, aiming for net-zero and thereby mitigating the environmental impact of operations.

Measures related to climate change mitigation and reduction of GHG emissions and relevant investments are provided for in the Ten-Year (2024-2033) Network Development Plan of the Group's Natural gas transmission systems operator (NG TSO).

Upon implementation of these investments, they will be included in the regulated asset base, which will ensure additional income and economic benefits for DG TSO. These investments encompass the generation of new assets and the replacement of existing depreciated assets to achieve greater efficiency of the transmission network, contribute to mitigating environmental impact and increasing sustainability. No shortening of the useful lives of existing assets or write-offs of regulated assets are planned, since the assets will depreciate before the implementation of the planned investments, and there are no other signs of asset impairment.

In the view of the Group's management, the requirements related to climate change do not cast significant uncertainties and doubts on the Natural Gas TSO ability to continue as a going concern, and the reasonableness and effectiveness of the environmental mitigation measures. Climate-related risk does not affect the Company's exposure to expected credit losses. The climate change impact assessments and assumptions do not pose a significant risk of material adjustments to the carrying amounts of assets and liabilities, or of impairment of non-current assets and inventories. Climate-related matters do not have a material impact on the recognition of deferred tax assets, the materialisation of contingent liabilities arising from climate change requirements, market and liquidity risk.

More information on the impact of climate change is provided in section "E1 Climate Change" of the Sustainability Report 2025.

Electricity activities

In the context of climate change mitigation, the Groupconsider both the positive and negative impacts of Litgrid operations: the Group play an important role in enabling the transformation of the energy sector into a system based on green energy. At the same time, Scope 1-3 GHG emissions, with the largest share arising from the technological losses in the electricity transmission network (Scope 2), have impact on the climate. The Group have the GHG emission reduction plan in place to manage material impacts, where the use of green energy to cover technological losses and own needs (including the purchase of guarantees of origin) is incorporated as the main measure.

In 2025, the Group signed a long-term green energy supply agreement with Ignitis UAB (effective from 01/01/2026 to 31/12/2032). The Group also plan financial PPA as an additional measure, which we expect to complete in early 2026. Aiming to contribute to international and national climate change mitigation goals, we are guided by the United Nations' Agenda for Sustainable Development, the Paris Agreement, the European Green Deal, the National Energy Independence Strategy, the National Energy and Climate Plan, and the National Climate Change Management Agenda. These commitments are subject to the Environmental Policy of the EPSO-G Group.

Sustainability-linked bonds issued by the Company

In June 2022, EPSO-G issued a 5-year sustainability-linked bond issue of EUR 75 million, which is listed on the Nasdaq Baltic Debt Securities list. In the prospectus of these bonds, the Company committed to implementing two sustainability-related targets, KPI1 and KPI2, by the redemption of the bonds, which will be carried out in 2027.

More information on the implementation of the target is provided in section “E1 Climate Change” of the Sustainability Report.

The results of one of the planned indicators depend to a large extent on factors beyond the control of management, but the achievement of the indicator will be assessed as at 31/12/2026. The Company’s management believes that despite the high uncertainty, the indicator value is unlikely to be exceeded.

If the requirements for KPI1 or KPI 2 are not met, the interest paid to bondholders would be increased by 0.3% and 0.2%, respectively, for the last year issuance. The increased interests for failure to meet each indicator would be applied separately.

40. Events after the reporting period

On 2 February 2026, the agreement was signed with OP Corporate bank to extend the credit limit of EUR 100,000 thousand for a further period of 12 months, i.e. until 29 April 2027.

On 25 February 2026, the Company received confirmation from the Nordic Investment Bank that the tripartite debt transfer agreement executed on 22 December 2025 entered into force as of 25 February 2026. Upon the entry into force of this tripartite debt transfer agreement, the loan obligations are taken over by EPSO-G, and Amber Grid and the Company is thereby released from the financial covenants. Also, the internal loan agreement concluded with Amber Grid on 22 December 2025 also entered into force on 25 February 2026. As of this, long-term loan agreements with the Nordic Investment Bank and the European Investment Bank will be reclassified from short-term to long-term financial liabilities.