



# ECO BALTIA

## SUSTAINABILITY REPORT 2025

Prepared in accordance with CSRD / ESRS





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# MESSAGE FROM OUR CEO

Dear Reader,

As the largest environmental resource management and recycling group in the Baltics, Eco Baltia plays an essential role in building a circular regional economy. We manage the full waste cycle – from collection and sorting, through secondary raw-material logistics, to recycling – across Latvia, Lithuania, Poland and the Czech Republic, and we continue investing in that infrastructure so our customers, municipalities and partners can solve their toughest resource challenges.

Three ambitions guide our work: material is returned to use, energy is cleaner and consumed more efficiently, and the people and communities around us thrive. Each carries its own targets, sits at the centre of how we run the business, and in 2025 took shape in tangible results.

We grew while investing in capability. Net revenue reached EUR 282.3 million, up 7.94% year-on-year; EBITDA rose to EUR 37.7 million. In February we reopened our rebuilt Vilnius sorting centre – an EUR 18 million investment, the largest in Ecoservice's history – where AI-powered optical sorting now recovers 15–20% more recyclable material from the same volume of waste. We also increased our stake in AS "Daugavpils specializētais autotransporta uzņēmums" to 97.9% and opened "Lab! shop" our first refurbished-electronics store, extending our reach from recycling into reuse.

Climate progress followed the same pattern of steady, measurable gains. Renewable sources now account for 26.4% of our 156,003 MWh of total energy consumption, and 65% of the electricity we purchased came from renewable sources. Our CO<sub>2</sub> footprint was 37,731 tCO<sub>2</sub>e, and GHG emission intensity was 93.34 tCO<sub>2</sub>e per million EUR of revenue. But our impact goes further: for every tonne of CO<sub>2</sub>e we emitted, our business operations avoided 10-time more emissions than we caused by our business. To hold ourselves to that standard, we have prepared carbon footprint calculations for every company in the Group, and by the publication of this report almost all of them had completed ISO 14064 verification and certification.

Together, these steps keep us on course for a 50% cut in CO<sub>2</sub> per unit produced by 2030 and climate neutrality by 2050.

Safety remains a core value rather than a target. Our aim is a safe, well-organised working environment that keeps accidents and injuries to a minimum – pursued through everyday operational discipline rather than one-off campaigns. During 2025 we rolled out the 5S methodology across our production sites and continued expanding our LEAN culture, one of our most effective tools for improving both efficiency and safety compliance. We delivered specialised and first-aid training, several Group companies joined the "Mission Zero" initiative, and 24/7 accident insurance has covered every employee from their first day. Across a workforce of 2,640, our annual survey continues to shape how we improve working conditions.

We also advanced our ambition to build thriving communities: as official sustainability partner of EuroBasket 2025; by donating over 160 repaired appliances through our LAB! workshop in partnership with Lidl Latvija; by opening Latvia's first "Thing Exchange Closet" in Sigulda; and by advancing our textile and WEEE producer-responsibility initiatives. On governance, we adopted our first Group procedure for sustainability due diligence and for assessing how significant transactions affect the environment and human rights.

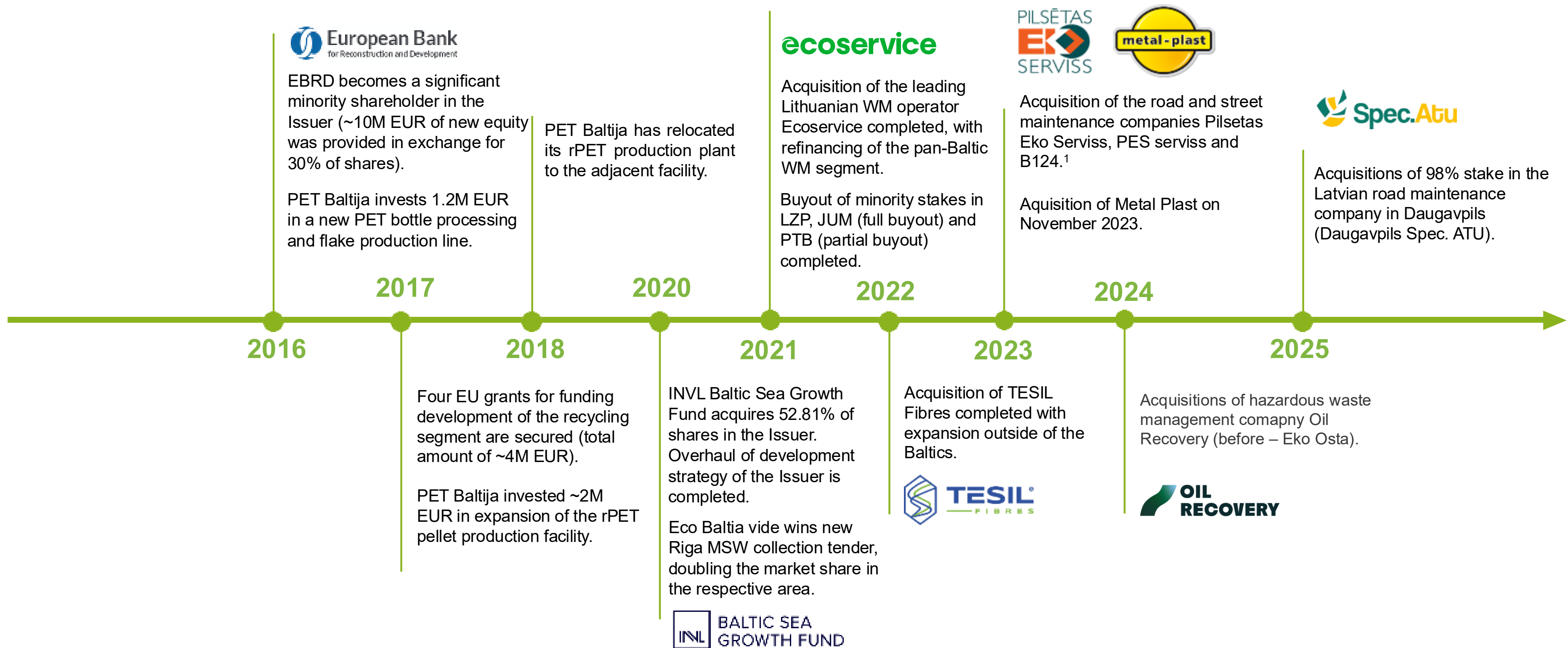
Since year-end, we have carried this momentum forward – raising our stake in Metal-Plast Sp. z o.o. to 82.61% together with the INVL Baltic Sea Growth Fund, fully redeeming our outstanding bonds, and welcoming Amictus UAB and its "Refabrik" brand into the Group.

We are grateful to our colleagues in all four countries who live our values, serve our customers and advance our goals. Together with our customers, partners and communities, we are driving change through action. We hope you enjoy learning more about our progress in this 2025 Sustainability Report.

Māris Simanovičs,  
Chief Executive Officer



# LAST 10 YEARS OF ECO BALTIA



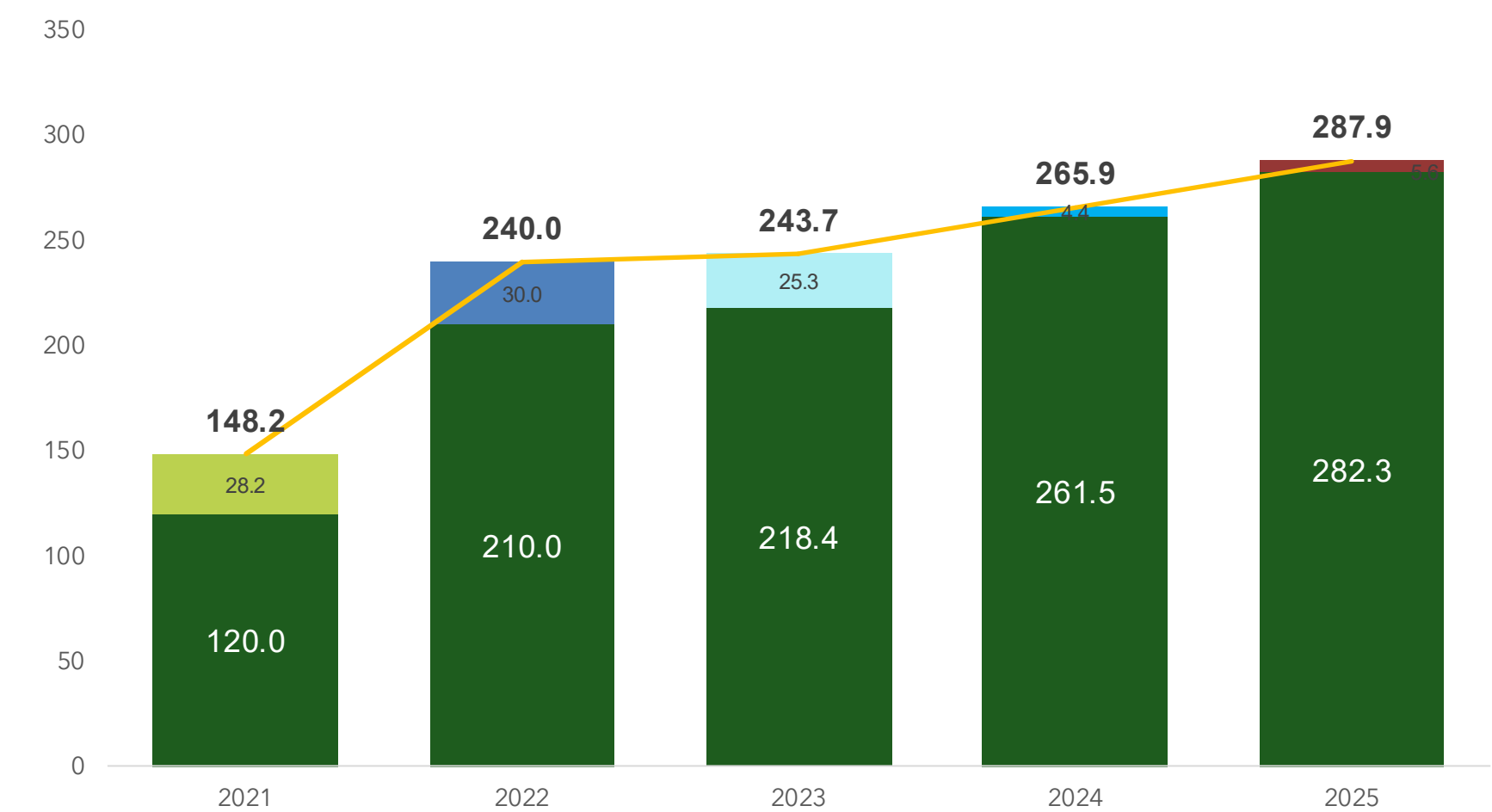
<sup>1</sup> Pilsētas Eko Serviss, PES serviss and B124 have been reorganized into Eco Baltia vide as of 01.12.2023. As of 2023, the company PET Baltija has been rebranded and now operates under the name Iterum



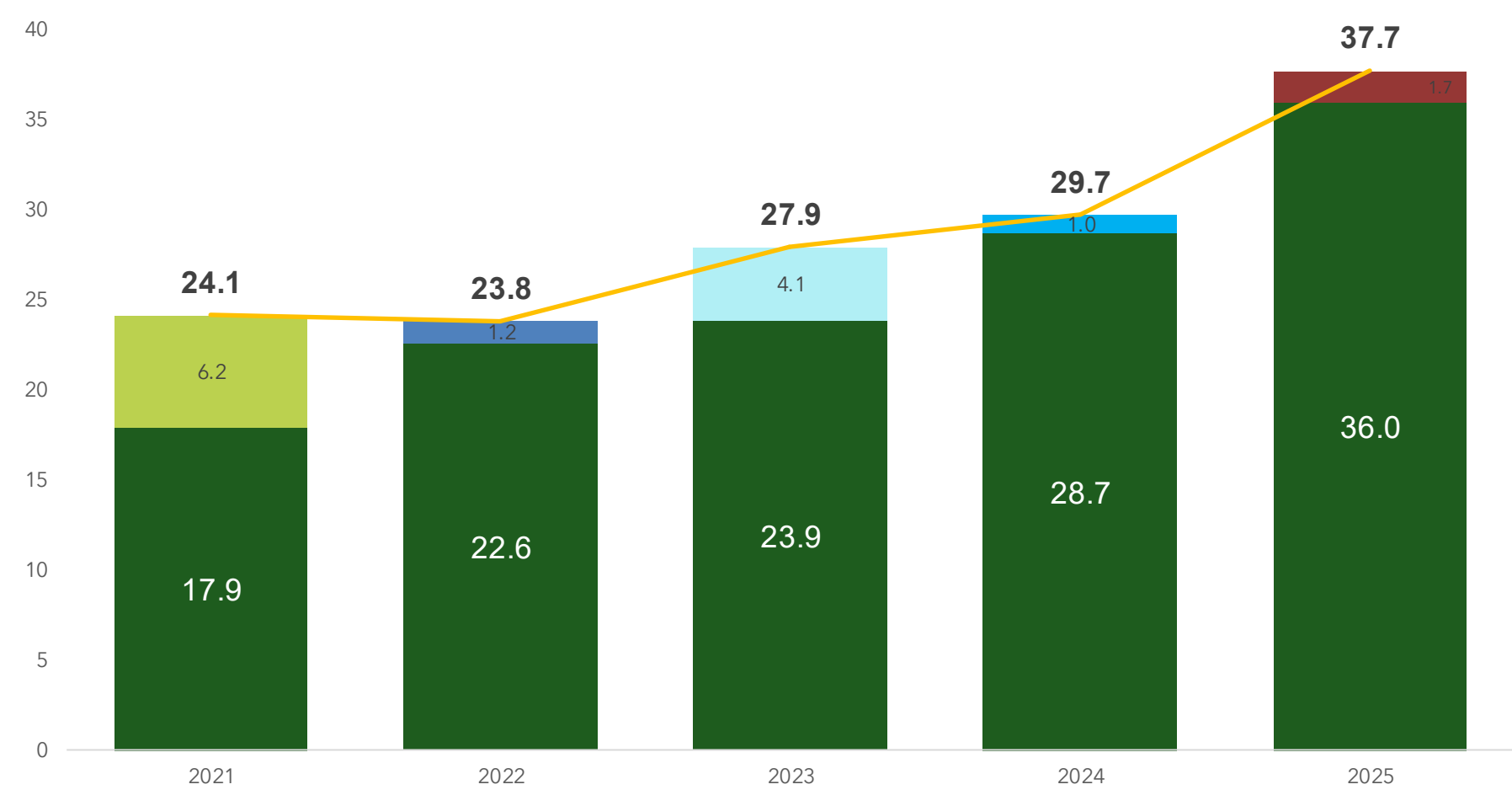
# KEY FINANCIAL HIGHLIGHTS

Strong upward revenue trajectory driven by expansion across core segments and acquisitions

REVENUE (pro-forma), EUR million\*



EBITDA (GAAP, pro-forma), EUR million\*



- Total consolidated
- Tesil fibres Jan-Sep'22\*\*\*
- Oil Recovery Jan-Oct'24\*\*\*\*\*
- Total pro-forma
- Ecoservice Jan-Aug'21\*\*
- Metal Plast Jan-Oct'23\*\*\*\*
- Daugavpils SpecATU Jan-Dec'25\*\*\*\*\*

- Total consolidated (GAAP)
- Tesil fibres Jan-Sep'22\*\*\*
- adj. EBITDA of Daugavpils SpecATU Jan-Dec'25\*\*\*\*\*
- Total pro-forma
- Ecoservice Jan-Aug'21\*\*
- Metal Plast Jan-Oct'23\*\*\*\*
- adj. EBITDA of Oil Recovery Jan-Oct'24\*\*\*\*\*

Note: Revenue and EBITDA results are consolidated and presented on a pro-forma basis according to local GAAP (IFRS16 effect excluded).  
\*Revenue and EBITDA results are pro-forma to reflect full-year effect of acquisitions.  
\*\* Ecoservice pro-forma result for Jan-Aug'21  
\*\*\* Tesil fibres pro-forma result for Jan-Sep'22  
\*\*\*\* Metal Plast pro-forma result for Jan-Oct'23  
\*\*\*\*\* Oil Recovery pro-forma result for Jan-Oct'24  
\*\*\*\*\* Daugavpils SpecATU pro-forma result for Jan-Dec'25



# ENVIRONMENTAL SERVICES COMPANIES

|                                                                                     |                                                                                                                                                                                                                                                                                 |                                   |                                             |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------------|
|    | <p>Operates the <b>largest household separate waste collection system in Latvia</b>, holding the <b>#2 position in municipal solid waste collection</b> in Latvia</p>                                                                                                           | <p><b>~657</b><br/>Employees</p>  | <p><b>85,0 M EUR</b><br/>Revenue (2025)</p> |
|    | <p>Acts as a <b>Producer Responsibility Organization (PRO)</b> that organizes packaging waste, electrical and electronic equipment waste, textile waste and environmentally harmful goods waste management</p>                                                                  | <p><b>~18</b><br/>Employees</p>   | <p><b>24,4 M EUR</b><br/>Revenue (2025)</p> |
|    | <p>Operates <b>waste management facilities in Lithuania</b>, undertaking collection, transportation, and processing of different waste, city cleaning and street maintenance, and <b>holding the #1 position in the country</b></p>                                             | <p><b>~1220</b><br/>Employees</p> | <p><b>80,4 M EUR</b><br/>Revenue (2025)</p> |
|   | <p>Company provides waste management services in the <b>Sigulda City</b> and Eco Baltia is managing JUMIS under concession agreement with Sigulda Municipality till 2033 by using all rights and obligations of the shareholder.</p>                                            | <p><b>~19</b><br/>Employees</p>   | <p><b>2,2 M EUR</b><br/>Revenue (2025)</p>  |
|  | <p><b>Hazardous waste collection and treatment</b> company active in a number of sectors including ship-generated waste management, recovered oil management, HW management remediation, ELT and other rubber waste</p>                                                         | <p><b>~63</b><br/>Employees</p>   | <p><b>6,6 M EUR</b><br/>Revenue (2025)</p>  |
|  | <p>Leading environmental management and municipal services <b>company in Latgale with more than 50 years of experience</b>, providing waste management, territory maintenance, specialized transport, and infrastructure services in Daugavpils and the surrounding region.</p> | <p><b>~115</b><br/>Employees</p>  | <p><b>5,6 M EUR</b><br/>Revenue (2025)</p>  |
|  | <p>Established in 2000, recycling company <b>specializing in recycling PP, LDPE film and hard plastic HDPE</b>. One of the leading polyethylene recycling companies in Latvia.</p>                                                                                              | <p><b>~105</b><br/>Employees</p>  | <p><b>8,5 M EUR</b><br/>Revenue (2025)</p>  |

# PET/PVC RECYCLING COMPANIES



Founded in 2003, **specializes in used PET (polyethylene terephthalate) bottle secondary recycling and wholesale** by producing high quality PET flakes and pellets. One of the largest in Northern Europe and the only recycling company of this kind in Latvia.

**~235**  
Employees

**45,1 M EUR**  
Revenue (2025)



Established by spin-off in 2022, primary **producer of polyester fibre in the Czech Republic**. Known for its high-quality standards, TESIL Fibres is recycled fibre supplier in the European market for the automotive, hygiene, textile and furniture industry segments.

**~91**  
Employees

**24,0 M EUR**  
Revenue (2025)



Leader in the **PVC post-production scrap recycling** market, constantly operated in this industry since 1993. Located in Poland.

**~191**  
Employees

**28,7 M EUR**  
Revenue (2025)



# KEY SEGMENTATION OF THE GROUP

 Environmental sector

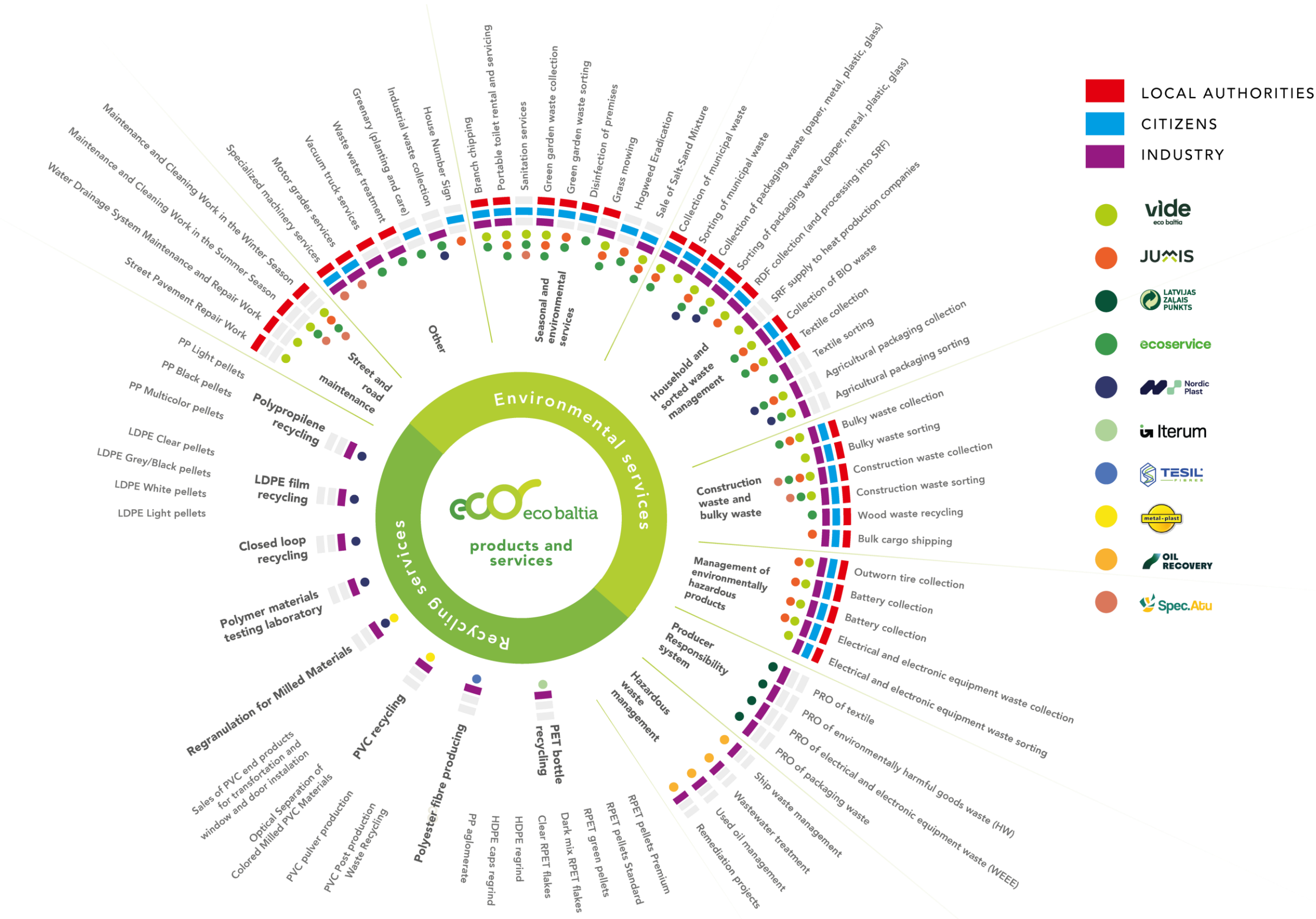
Waste collection; trade of sorted recyclables; producers responsibility organization; liquid waste & bio toilets; street cleaning and street maintenance services; construction waste collection and sorting; hazardous waste management

 PET recycling

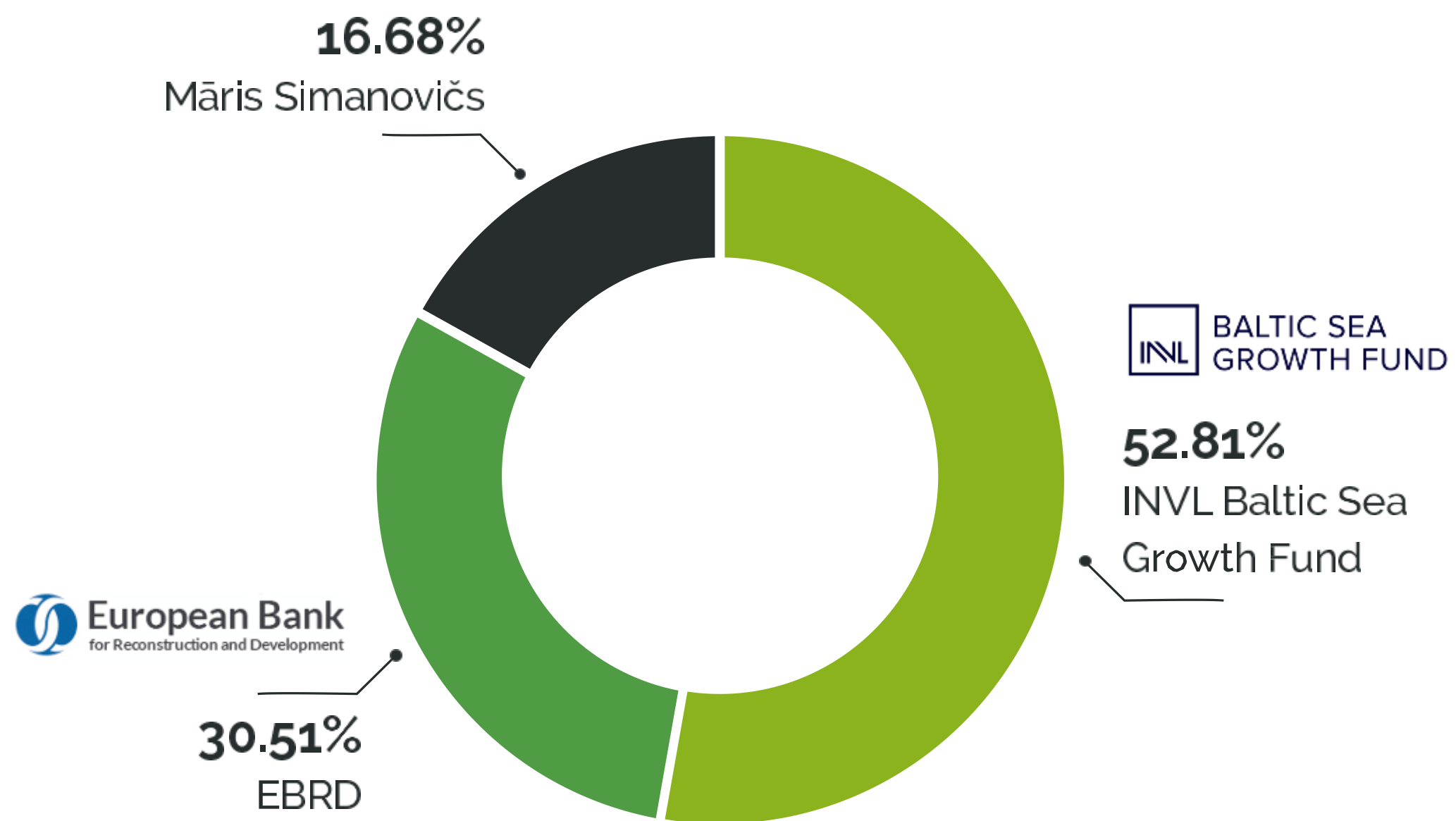
Polyethylene terephthalate (PET) recycling fibre production

 PVC recycling

PVC post-production scrap recycling



# SHAREHOLDER STRUCTURE OF ECO BALTIA





ESRS 2

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# General Disclosures

General basis for preparation of the sustainability statement

Basis of preparation

This Sustainability Statement is prepared for the fiscal year 2025 to provide transparent information about our sustainability activities. It is developed in compliance with the European Sustainability Reporting Standards (ESRS) to meet the requirements of the Corporate Sustainability Reporting Directive (CSRD). The statement is prepared on a consolidated basis, covering the same scope of consolidation as our financial reporting, and includes all fully consolidated companies under the legal or actual control of the organisation.

Scope and reporting period

The report addresses both our own business operations and the upstream and downstream value chain, focusing on significant impacts, risks and opportunities. Detailed information on policies, actions, targets and metrics covering the value chain is presented in the relevant sections of the topical standards.

Basis: consolidated. Reporting period: 1 January 2025 – 31 December 2025.

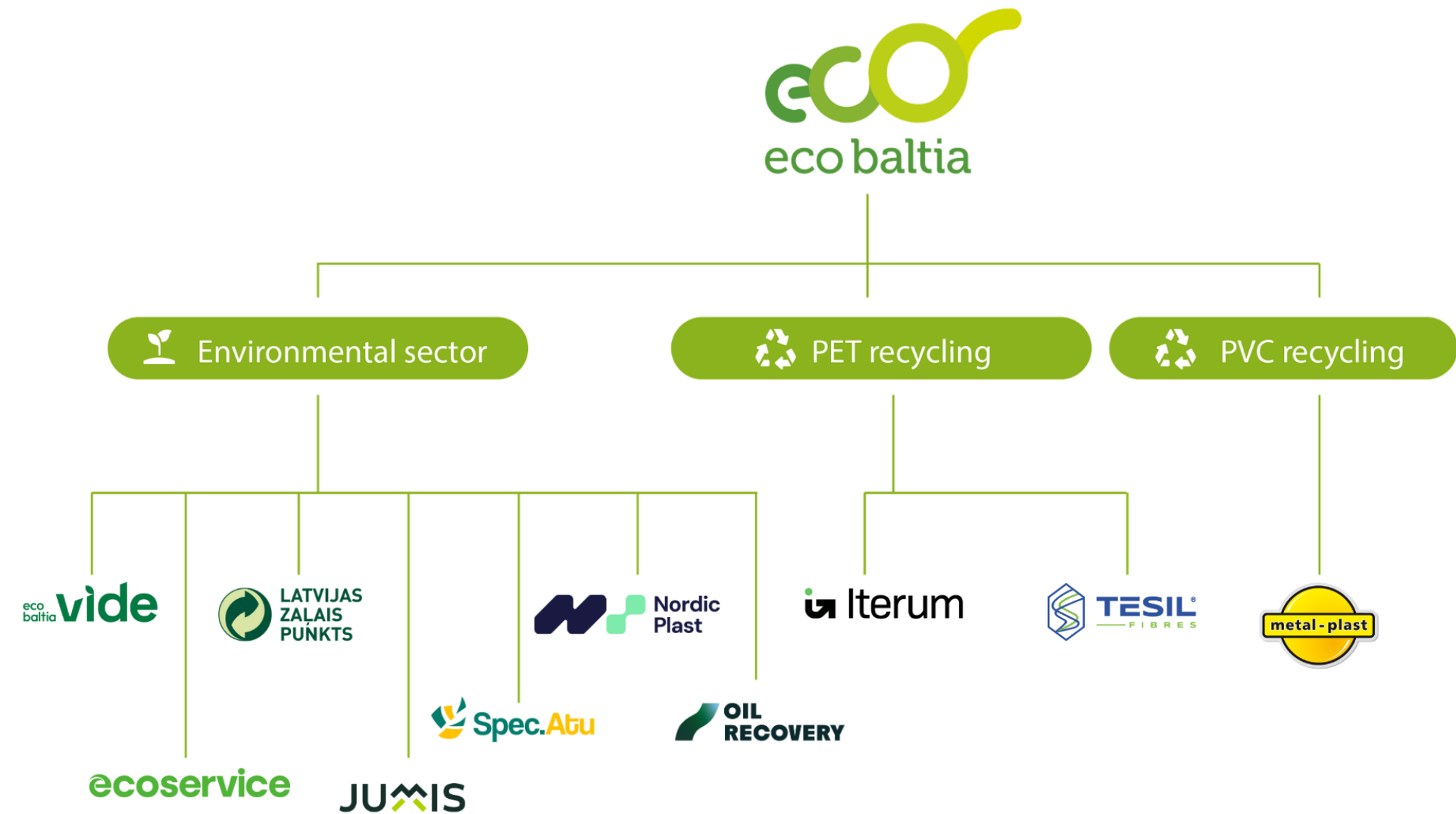
Value chain coverage

The statement encompasses both our own operations and the upstream and downstream value chain, including all significant impacts, risks and opportunities identified within it. Eco Baltia operates a vertically integrated value chain covering waste collection, recyclables sorting, plastics recycling and polyester fibre production. Upstream activities mainly involve secure sourcing of waste under municipal contracts and private agreements across Latvia, Lithuania, Poland and the Czech Republic; key suppliers and partners are regularly vetted for environmental and social compliance. Downstream, Eco Baltia supplies recycled materials and products to industrial clients, closing the loop in the circular economy.

Subsidiaries exempted from individual reporting

SIA Eco Baltia vide, UAB Ecoservice, SIA Nordic Plast, SIA Jumis, SIA Latvijas Zaļais punkts, SIA Oil Recovery, AS Iterum, Metal-Plast Sp. z o.o., Tesil Fibres s.r.o.

Group structure and scope of consolidation



2025

reporting period, 1 Jan – 31 Dec



Consolidated basis

Same scope as financial reporting



ESRS and CSRD

Prepared to meet the directive



Full value chain

Upstream and downstream covered



## Composition, diversity and roles of the governance bodies

### Composition, roles and expertise

Eco Baltia's administrative, management and supervisory bodies consist of executive and non-executive members whose selection and nomination follow the company's policy. The Management Board composition secures the necessary skills and competencies, including industry-specific knowledge, and emphasises diversity with a preference for experienced managers. Roles and responsibilities for sustainability matters – including oversight of impacts, risks and opportunities – are set out in writing. Training and access to sustainability expertise are supported by Sustainability managers, Group policies and ongoing evaluation.

### Composition and diversity

Members bring diverse professional backgrounds, expertise and experience relevant to the Group's sustainability strategy and business operations. Appointments follow a documented board appointment policy setting clear eligibility criteria and procedures, so that the composition supports effective oversight and decision-making.

### Governance safeguards

Roles and responsibilities across governing bodies are clearly defined, with decision-making structured in line with Group governance policies. Conflicts of interest are managed under a dedicated procedure requiring members to disclose personal business interests on standard forms, safeguarding the independence and integrity of decisions. A business partner evaluation procedure applied when engaging counterparties reinforces due diligence across the Group. Together these policies underpin informed, ethical and accountable decision-making at all levels.

### Employee representation

The company promotes equal opportunity and non-discrimination, and representation of employees and other workers is formalised in employment agreements. Employees have the right to form and join workers' organisations and unions and to engage in collective bargaining. Trustees are elected to represent employees in negotiations, ensuring their voices are heard and recognised.

## Board experience, leadership and oversight controls

### Experience relevant to sectors and markets

Members are selected under a stringent policy ensuring they hold the experience and competencies needed for governance across different sectors, products and geographic locations. The policy requires board members to have the education and experience to achieve strategic, business and financial objectives, while ensuring representation, diversity and responsibility in key functions.

### Supervisory Board

Chairman Vytautas Plunksnis contributes substantial international private equity experience across the Baltic and Nordic regions. Deputy Chair Deimante Korsakaite offers deep M&A and legal expertise from numerous high-value transactions in Lithuania. Alberto Atienza Guell (EBRD) adds equity investment experience across healthcare, consumer goods and manufacturing in CEE, SEE and Turkey. Independent member Jurgita Petrauskiene brings operational insight in water and waste, while Gints Pucēns and Algimantas Markeuskas add legal and strategic management capabilities.

### Management Board

CEO Māris Simanovičs provides robust operational leadership; with over 20 years in the environmental sector, he has overseen Eco Baltia's transformation into the Baltics' largest integrated environmental services group. CFO Santa Spūle leads sound financial governance and investment strategy execution, while Chief Legal Officer Sigita Namatēva aligns operations with EU legislation. Board member Saulius Budrevičius drives innovation and investment project execution in waste treatment technology and infrastructure.

### A complementary mix

Together the boards combine strategic oversight, sector-specific knowledge and cross-regional experience, equipping Eco Baltia to lead in environmental services and the circular economy and to expand responsibly into new markets.

20 %

independent board members



### Dedicated controls

For impacts, risks and opportunities



### Delegated oversight

Assigned to management-level roles



### Conflict-of-interest procedure

Disclosure on standard forms

# ECO BALTIA GROUP SUPERVISORY BOARD



## VYTAUTAS PLUNKSNIS

Chairman of Supervisory Board at Eco Baltia

Vytautas has extensive experience in international investment management. As Head of INVL Private Equity, Vytautas has been involved in various large-scale investment projects for INVL in Lithuania, Latvia, Moldova and Norway.



## ALGIMANTAS MARKAUSKAS

Independent Member of Supervisory Board at Eco Baltia

Algimantas is acknowledged as a robust leader and accomplished manager. With over 14 years of experience in senior roles. His forte lies in crafting and executing corporate strategies.



## GINTS PUCĒNS

Member of Supervisory Board of Eco Baltia

Gints has extensive experience in advising on acquisitions, disposals, and restructuring of companies. Gints provides legal advice on corporate governance and shareholder issues. Legal support in fundraising for both established businesses and agile start-ups.



## JURGITA PETRAUSKIENE

Independent Member of Supervisory Board at Eco Baltia

Jurgita is a certified board member (with 15+ years of industry experience in water supply, waste-water, waste management) with competencies in investment projects, innovation, strategic planning and management.



## DEIMANTE KORSAKAITE

Deputy Chair of the Supervisory Board at Eco Baltia

Deimante is recognized as one of the leading M&A experts in Lithuania with extensive experience in transaction structuring and negotiations, legal due diligence. Advised local and international clients on deals with the combined value of almost €2 bn.



## LASZLO GRUBITS\*

Member of Supervisory Board at Eco Baltia

Laszlo has extensive experience in private equity, M&A, corporate finance, and development finance across Central and Eastern Europe. He has been involved in numerous transaction projects across various sectors and has developed a broad network of business and investment contacts throughout the CEE region.



# ECO BALTIA GROUP MANAGEMENT BOARD



## MĀRIS SIMANOVIČS

Chairman of the Management Board, CEO of Eco Baltia

Māris is one of the most valued managers in the environmental sector in Latvia with more than 20 years of experience in the industry. Under his management Eco Baltia has become an international company with high growth potential.



## SANTA SPŪLE

Member of the Management Board, CFO of Eco Baltia

In her professional career Santa has served as a CFO in various companies, including one Nasdaq-listed company. Santa's key priorities are oriented towards budgeting, performance assessment, fundraising, standardization of accounting across the group.



## SIGITA NAMATĒVA

Member of the Management Board, CLO of Eco Baltia

Sigita is one of the most experienced lawyers in the field of waste management and environmental issues. She has taken part in development of numerous waste management legislation changes in Latvia and Brussels as well as played an active role in several M&A transactions in the Group.



## SAULIUS BUDREVIČIUS

Board Member

More than 20 years in the environment industry. Saulius is responsible for overseeing research and development initiatives, as well as the successful implementation of various investment projects within the Group

### Members of the Supervisory and Management Boards

#### By gender



● Female (4) ● Male (6)

#### By age



● Under 30 (0) ● 30–50 (8) ● Over 50 (2)

10

Total board members

40%

Women on the boards

## Roles, responsibilities and oversight of governance bodies

### Roles and responsibilities

Eco Baltia's governance structure involves the administrative, management and supervisory bodies in sustainability oversight. The Group Supervisory Board, the Management Boards and senior management of Group companies regularly set and supervise goals, compliance with environmental and social laws, permits, internal procedures and quality standards. These bodies adopt strategies, oversee impacts, risks and opportunities and ensure resource allocation. Expertise is reinforced through consultations, training and involvement of competent authorities for health and safety, fire and civil protection, and local labour-protection legislation.

### Management's role in ESG governance

ESG matters are overseen through defined roles and governance bodies. The Board of Directors and management-level roles – including the CEO, CFO, Chief Legal Officer and Sustainability managers – have defined responsibilities for ESG oversight, strategy and implementation. Regular reviews by the Management Board, the Supervisory Board and other committees support ongoing monitoring and the integration of sustainability considerations into operations.

### Identity of the responsible bodies

Oversight is exercised at several levels. The Supervisory Board sets the strategic direction, including sustainability KPIs aligned with the UN Sustainable Development Goals, and reviews the performance of responsible persons and managers of Group companies in achieving environmental and social compliance.

Each subsidiary has appointed responsible persons for environmental and social compliance, and the Management Boards and senior management oversee that compliance through regular reporting and reviews. Governance includes executive members from all Eco Baltia subsidiaries and other managers who supervise adherence to environmental and social laws. Specialised committees at Group and company level actively manage risk – including sustainability-related risk – through strategic oversight and legal compliance monitoring.

## Reporting lines, risk hierarchy and internal integration

### Oversight of the delegated role

Oversight of the management-level positions and committees responsible for governance processes, controls and procedures is exercised through a structured risk-management hierarchy. The Supervisory Board oversees the risk-management programme across the Group, approves the Risk Management Policy and reviews management's reports on key risks. The Group Management Board develops and implements the programme, sets risk appetite and tolerance levels and continuously improves its effectiveness. At company level, each Management Board implements the policy, integrates risk management into decision-making and reviews risk reports for higher-level approval. Directors and CEOs lead risk management in line with company strategy; functional managers and risk owners identify and assess risks in their areas, develop mitigation plans and report upwards. Internal Audit supports risk identification, conducts independent evaluations and recommends improvements.

### Reporting lines

Reporting lines identify the responsible administrative, management and supervisory bodies. Each subsidiary has appointed persons responsible for environmental and social compliance, ensuring regular reporting and monitoring. Quarterly risk assessments and monthly Management Board reviews support continuous oversight, and top management assesses the availability and performance of the necessary expertise through regular, documented evaluations.

### Business continuity and internal integration

The Business Continuity Policy, approved by both Boards, applies to all Group companies and binds all employees; each company develops its own continuity plan within the common framework. This embeds continuity management into daily operations through impact analysis, risk assessment, strategy and plan development, resumption procedures, training, testing and continuous improvement. Controls are integrated with other internal functions: the Head of Internal Security regularly visits Group companies, documents findings and reports to the Board, with resources allocated for required changes; Internal Audit independently assesses effectiveness and reports to management and the Supervisory Board for corrective action.

### Quarterly

risk assessments, with monthly Management Board reviews



### Risk Management Policy

Approved by the Supervisory Board



### Business Continuity Policy

Group framework, company plans



### Internal Audit

Independent assessment and reporting



## Overseeing targets and building the right expertise

### Overseeing targets and progress

The governance bodies and senior executive management oversee the setting and monitoring of sustainability targets through structured processes: regular reviews of human-resource performance, compliance with safety and environmental regulations, and periodic updates to governance policies. The Management Boards meet monthly to evaluate performance and strategic project execution, ensuring alignment with environmental and social laws and internal quality standards.

Under the Risk Management Policy, risks are identified, assessed and managed continuously to support strategic goals, with oversight by the supervisory bodies.

### Resilience and follow-up

The Business Continuity Policy, approved by both Boards, commits Group companies to mitigating business-interruption risks and requires each to maintain its own plan within the Group framework. The Supervisory Board approves the policy, the Management Board formulates and reviews it, and internal audit independently assesses effectiveness and reports findings for corrective action. Together these mechanisms are designed to ensure targets are set appropriately, resilience is safeguarded and progress is effectively monitored.

### Determining available skills

The Group Supervisory Board adopted a sustainability strategy aligned with the UN Sustainable Development Goals, including sustainability-related KPIs. Top management reviews the necessary human and financial resources – including performance evaluations of responsible individuals and managers – to maintain effective and continuous environmental and social performance. Continuous training, such as the Talent Academy and workshops on sustainability topics, further strengthens the skill sets of relevant personnel.

### A dedicated ESG function

Governance bodies can draw on dedicated internal ESG expertise that embeds sustainability across all business units. Head of Sustainability Madara Strautmane is responsible for developing and coordinating sustainability strategies, managing ESG reporting and facilitating stakeholder engagement. The team was strengthened by appointing Anete Smoča as ESG Manager for the environmental sector, enhancing the Group's ability to manage sector-specific initiatives.

## ESG expertise matched to material impacts and risks

### Board expertise and ESG function combined

Drawing on board-level expertise alongside a dedicated ESG management function, the Group ensures effective oversight and implementation of its sustainability agenda. This structure supports the ambition to lead in the circular economy and to uphold high standards of environmental, social and governance performance across operations.

### Skills aligned with material topics

The skills and expertise available to the governance bodies are aligned with the material impacts, risks and opportunities identified in the double-materiality assessment. As an environmental services and recycling group, the most significant impacts relate to waste management, resource recovery and the circular economy, alongside climate and pollution matters and workforce health and safety.

The expertise of the Supervisory and Management Boards – spanning waste management, investment, legal and corporate governance – together with the Head of Sustainability and the ESG Manager, supports competent oversight of these core topics and effective management of sector-specific risks.

### Specialist functions by topic

Board expertise is complemented by specialist functions whose competencies correspond directly to specific material topics:

The Occupational Health and Safety function and ISO 45001-certified management systems address workforce health-and-safety impacts and risks. Human Resources manages workforce-related topics such as training, remuneration, diversity and engagement. The Legal, risk and compliance functions address governance, business-conduct and regulatory risks, and the environmental-management function covers pollution, resource use and climate-related matters.

### Sustainability Management Group

Through the Sustainability Management Group, which brings these functions together with senior management, the Group aligns relevant skills and expertise with its material impacts, risks and opportunities, applying them consistently across its operations.

ISO 45001

certified OH&S management systems



UN SDG-aligned strategy

With sustainability-related KPIs

## How the boards are informed and exercise oversight

### How the bodies are informed

The governance bodies are informed about material impacts, risks and opportunities and about the implementation and effectiveness of related policies, actions, metrics and targets through regular, structured reporting. The Management Boards meet monthly to review operational and financial performance, project-execution status and deviations, and to assess alignment with environmental and social laws, permit conditions, internal procedures and quality standards.

### Coordination and escalation

Sustainability matters are coordinated by the dedicated sustainability function and the Sustainability Management Group – the heads of all divisions together with the relevant Management Board member, the finance director and the risk and compliance manager – and escalated to the Management Boards and the Supervisory Board. The bodies also receive the results of the double-materiality assessment, HR and occupational health and safety reviews, compliance and risk-management reports including independent internal audit assessments, and progress against sustainability targets and KPIs.

### Strategy and major transactions

The bodies regularly review the sustainability strategy to ensure it remains aligned with long-term goals and regulatory requirements, and engage with stakeholders to reflect their concerns and expectations in strategic decisions.

Before approving major transactions, they require comprehensive ESG impact assessments and confirmation that appropriate mitigation measures are in place for identified risks.

### Risk-management oversight

They oversee the integration of sustainability risks into the Group's overall risk-management framework, so such risks are systematically identified, assessed and managed, and monitor the effectiveness of risk-management practices through regular reporting. Embedding sustainability into these oversight functions keeps the Group resilient and responsive to evolving challenges and opportunities.

## Performance monitoring and sustainability-linked incentives

### Performance monitoring mechanisms

The Management Boards and senior management supervise compliance with all applicable environmental and social laws, permit conditions, internal procedures and quality standards. Governance bodies, including the Supervisory Board, are periodically informed about material impacts, risks and opportunities as they review company performance at monthly meetings, propose corrective actions and oversee the handling of grievances. Monitoring is further supported by continuous-improvement projects, digitalisation and automation of processes, and regular updates to governance policies.

### Incentive schemes exist – yes

Incentive schemes for members of the administrative, management and supervisory bodies are designed to align with the Group's sustainability goals. The remuneration system includes bonus schemes linked to financial, operational, market and development-related indicators set by the Group. The schemes are reviewed and approved by the Supervisory Board, ensuring they support the sustainability strategy.

### Performance assessed against targets – yes

Sustainability-related targets are used to assess the performance of members of the administrative, management and supervisory bodies. These targets are cascaded throughout the Group using the OKR (Objectives and Key Results) methodology, and the Management Boards and senior management set and monitor them to maintain alignment with the Group's sustainability objectives.

### Where terms are approved

The terms of incentive schemes are approved and updated at Management Board level for the individual companies within the Group. For senior management, schemes are approved at a higher level – by the Supervisory Board or, where applicable, the General Meeting of Shareholders – in accordance with the Articles of Association and the Group's internal regulations.

### Monthly

Management Board performance reviews



### Sustainability Management Group

Divisions, finance, risk and compliance



### OKR methodology

Targets cascaded across the Group



### Supervisory Board approval

Reviews and approves incentive schemes



## Due diligence and controls over sustainability reporting

### Due diligence process

Eco Baltia Group embeds sustainability due diligence across its governance, strategy and operations, in line with the core elements of the due diligence process set out in the ESRS.

During 2025 the Group developed its first procedure for fulfilling due diligence obligations in sustainability and for assessing the impact of significant transactions and projects on the environment and human rights. It was adopted by the Management Board with effect from January 2026, giving effect to the Group's obligations under EU Directive 2024/1760. Together with the Human Resources Policy, the Code of Conduct and the risk-management framework, this procedure governs how the Group identifies, prevents, mitigates and remedies adverse impacts on people and the environment.

### Integration into internal functions

Findings from risk assessments and internal controls related to sustainability reporting are integrated into internal functions and processes through robust mechanisms – essential for the accuracy, reliability and transparency of the Group's reporting and for managing sustainability risks effectively.

### Scope, features and components

The Group's risk management and internal control processes for sustainability reporting cover risk identification, assessment, treatment, monitoring and communication. Risks are identified through a systematic effort and evaluated to understand their nature and impact, and a range of strategies and control measures is applied to handle them.

The effectiveness of the risk management programme is improved continuously through annual self-evaluations. Details and changes in the processes are documented and reviewed regularly by the Management and Supervisory Boards, ensuring integration into the Group's strategic and operational frameworks.

### Periodic reporting to the boards

Findings are reported periodically through structured procedures. The Head of Internal Security documents the results of security assessments and reports them to the relevant Group company's Board of Directors, and the Legal Director prepares an annual status report on the management of AML/CFT risk for the Management Board of AS Eco Baltia.

## Risk assessment approach and main risks

### Risk assessment approach

The approach is anchored in a comprehensive risk management policy spanning all activities, with systematic identification and assessment of risks. The policy sets out the Group's commitment to protecting and creating value, ensuring risks are managed within an established risk appetite.

The process covers identification, assessment, treatment, monitoring, review and communication of risks. Specific methodologies categorise risks as strategic, operational, safety and hazard, or financial, each with tailored mitigation and management strategies. Regular assessments and updates ensure risk findings feed into internal processes and continuous improvement.

### Main risks and mitigation

Potential crises are identified and evaluated through a defined crisis management plan, with appointed crisis managers and teams trained in crisis resolution. The plan sets out communication protocols and the resources available for emergency action, enabling a swift response.

The Group maintains Quality and Environmental Management Systems certified to ISO 9001 and ISO 14001 to handle operational risks and drive continual improvement. Risk assessments and crisis management plans are integrated into daily operations, and specific actions such as fire-safety training and infrastructure improvements mitigate identified risks. Monthly risk assessments are reported to management, ensuring ongoing monitoring and adjustment.

**2026**

due diligence procedure in force from January



**ISO 9001 & 14001**

Quality and environmental systems



**EU Directive 2024/1760**

Obligations given effect Group-wide



**Monthly risk reporting**

Assessments reported to management

## Strategy, products and services built on the circular economy

### Strategy built on the circular economy

As the largest environmental resource management and recycling group in the Baltics, Eco Baltia operates the full waste cycle – from collection and sorting, through secondary raw-material logistics and wholesale, to recycling. The strategy is delivered through four waste-management activities (organising the packaging-management system, waste collection, secondary raw-material sorting and sale, and recycling) and four business segments: PET, plastics recycling, environmental management services, and PVC window and door profile recycling.

During 2025 the Group continued developing a consolidated ESG strategy across the parent company and its main subsidiaries and published its first annual sustainability report prepared in accordance with the CSRD.

### Significant products and services

The Group organises the producer-responsibility and packaging-management system for packaging, electrical and electronic equipment and environmentally harmful goods; collects and manages municipal, sorted, construction, bulky, textile and hazardous waste; sorts, wholesales and sells secondary raw materials; and recycles PET bottles, polypropylene and other plastics, produces PET fibre and recycles PVC window and door profiles. Related services include road cleaning, portable-toilet rental and seasonal services.

### Changes during 2025

Specialised services in construction, textile and PVC-frame waste were strengthened and the "Lab!shop" retail outlet for refurbished appliances was opened. After the reporting date the Group acquired Amictus UAB (Lithuania), owner of the "refabrik" textile brand. No significant product lines were discontinued; Ecoservice Projektai UAB and Ecoplasta UAB were merged into Ecoservice UAB.

## Markets, customers and sustainability-related goals

### Markets and customer groups

The Group operates in Latvia, Lithuania, Poland and the Czech Republic and exports recycled raw materials to other EU and international markets. In 2025 total revenue was EUR 282.3 million. Customers include municipalities under multi-year contracts, businesses and industrial clients, producers and importers in producer-responsibility schemes, households and residents, and buyers of recycled materials.

New and extended municipal contracts were signed – Mārupe (7 years), Ventspils district (5 years) and Ādaži/Carnikava (7 years) – together with a three-year contract for ship-generated waste at the Freeport of Riga.

### No banned products or services

The Group does not produce or sell products or services banned in its markets. All activities are lawful and carried out under the relevant environmental permits and regulatory authorisations in each country. Its ESG due diligence procedure additionally excludes involvement with weapons, ammunition, military equipment, tobacco, gambling, sexual exploitation and prohibited chemical substances.

### Connected sectors and goals

Through its value chain the Group is connected to the plastics and packaging, construction, textile and electrical-equipment sectors, and to road maintenance following the consolidation of AS Daugavpils specializētais autotransporta uzņēmums (DATU).

Sustainability goals span expanding recycling capacity and sorting infrastructure, increasing plastic-packaging recyclability, promoting household and textile waste sorting, advancing producer-responsibility schemes, and improving occupational safety and employee development.

2 640

employees (head count) at year-end;  
2 680 during the period

€282.3m

total revenue in 2025



## Business model spanning the full waste value chain

### Significant ESRS sectors

The company identifies its significant ESRS sectors based on their contribution to activities in Latvia, Lithuania, Poland and the Czech Republic. These include waste management, sorting and recycling of materials such as PET bottles, polyethylene and textiles, as well as environmental services, road and street maintenance and hazardous-waste processing. These sectors are critical because of their substantial impact on revenue and their alignment with the company's sustainability goals.

### Stakeholder engagement in the model

Engaging with stakeholders is central to how the model works. The Group follows a comprehensive stakeholder engagement plan, reviewed each year, that identifies stakeholders, assesses mutual impacts and monitors for continuous compliance with legislative requirements.

### Integrated circular-economy model

The Group runs an integrated circular-economy business model spanning the entire waste value chain. It organises producer-responsibility and packaging-management systems; collects municipal, sorted, construction, bulky, textile, hazardous and other waste; sorts and trades secondary raw materials; and recycles these materials into new products – recycled PET, recycled polypropylene and other plastics, PET fibre and recycled PVC window and door profiles.

This work is carried out through subsidiaries in Latvia (AS ITERUM, SIA Eco Baltia vide, SIA Nordic Plast, SIA Latvijas Zaļais punkts, SIA Oil Recovery, Siguldas SIA Jumis and DATU), Lithuania (Ecoservice UAB and Biržų komunalinis ūkis UAB), the Czech Republic (TESIL Fibres s.r.o.) and Poland (Metal-Plast Sp. z o.o.). By returning recovered materials to the economy as secondary raw materials and recycled products, the Group closes the loop between waste generation and resource use.

Building on community involvement, it continues to improve sorting infrastructure – expanding battery-collection points, promoting biowaste sorting and adapting containers for better accessibility.

## Inputs, upstream and downstream value chain

### Inputs and how they are secured

Eco Baltia and its subsidiaries gather and develop inputs through a common Group strategy, setting ambitious goals aligned with the UN Sustainable Development Goals. Input security is governed by robust policies and procedures – including the Sustainability and Environmental Policy and the Procurement Policy – mandating compliance with environmental and social laws and permit conditions. Ongoing reporting, audits and senior-management monitoring maintain that compliance over time.

### Upstream and downstream

Upstream, the value chain comprises the generators of waste and recyclable materials – households, municipalities, businesses and industry – together with suppliers of secondary raw materials, equipment, vehicles, fuel and energy, and the producers and importers served through producer-responsibility schemes. Downstream, it comprises the buyers of the Group's recycled materials and products – recycled PET flakes and granules, PET fibre, recycled polypropylene products and recycled PVC profiles – sold to manufacturers and other customers in Latvia, the wider Baltics, the EU and international markets.

### Position in the value chain

The Group occupies an integrated position spanning the full value chain, operating from waste collection through sorting and secondary raw-material trading to final recycling, which gives it direct control over multiple stages of the circular-economy process.

4

countries of operation: Latvia, Lithuania, Poland, Czech Republic



### Producer responsibility

Packaging management organised Group-wide



### Procurement & Environmental policies

Securing compliant, permitted inputs



### Full value-chain control

Collection, sorting, trading, recycling

Stakeholder views reflected in strategy and business model

Interests and views of stakeholders

The organisation recognises the importance of incorporating stakeholders' interests and views into its strategic and business decisions. By actively engaging with stakeholders and integrating their views into the strategy and business model, the Group enhances its ability to create long-term value and build strong, trust-based relationships.

Material impacts, risks and opportunities

Eco Baltia has identified several material impacts, risks and opportunities through a comprehensive materiality assessment. These findings are integral to shaping the strategy and business model, ensuring that operations remain sustainable and resilient and stay aligned with stakeholder expectations.

Material impacts, risks and business continuity

Business Continuity Policy

As part of its risk-management approach, the Group has implemented a Business Continuity Policy that applies across Group companies and binds their employees, with each company maintaining its own plan within the common framework. It addresses natural disasters, fire, war and cyber risks that could partially or fully interrupt operations and requires each entity to eliminate or mitigate interruption risks and minimise the impact on operations, employees, customers, partners, property, shareholders and society.

Continuity process and responsibilities

The policy sets a Group-level framework while each company develops its own plan. The process follows eight steps: business impact analysis, risk assessment, continuity strategy, plan development, resumption procedures, implementation, training and testing, and continuous improvement. The Supervisory Board oversees and approves the policy; the Group Management Board formulates and reviews it; company directors manage it operationally; and internal audit independently assesses effectiveness. It is owned by the Chairman of the Management Board and reviewed at least every three years.

Stakeholder groups and engagement in 2025

| STAKEHOLDER GROUP                                                                                                                 | ENGAGEMENT METHODS                                                                                                          | FOCUS / TOPICS IN 2025                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Municipalities &amp; local communities</b>   | Consultations on development projects (where legally required), local media, direct meetings with municipal representatives | Operational transparency, waste sorting promotion, infrastructure development, expansion of collection networks (batteries, textiles), biowaste sorting pilots |
|  <b>Regulatory authorities</b>                 | Regular reporting, working group participation, compliance consultations, site visits, expert discussions                   | Permitting, compliance, alignment with environmental and operational requirements                                                                              |
|  <b>Customers</b>                              | Direct communication channels, surveys, public information campaigns                                                        | Service quality, satisfaction monitoring, resource efficiency, responsible waste management                                                                    |
|  <b>Employees</b>                              | Internal communication systems, satisfaction surveys, development programmes, consultation mechanisms                       | Working conditions, benefits, transparent communication of business results                                                                                    |
|  <b>Suppliers &amp; business partners</b>      | Procurement processes, contractual communication, performance monitoring, sustainability discussions                        | Performance and, where relevant, sustainability                                                                                                                |
|  <b>Investors &amp; financial institutions</b> | Direct communication, performance reporting, strategic presentations                                                        | Strategic development, operational improvements                                                                                                                |
|  <b>Industry associations &amp; NGOs</b>       | Membership, sector working groups, policy contributions                                                                     | Circular economy, waste management infrastructure, regulatory development                                                                                      |

Materiality matrix

The materiality matrix is a strategic tool for focusing effort and resources on the sustainability issues that matter most to both the business and its stakeholders. Issues in the high-importance, high-stakeholder-interest quadrant are considered the most material and require the organisation's attention and action.





## Objective of the double materiality assessment

### Purpose of the assessment

The purpose of conducting a double materiality assessment for Eco Baltia Group is to comprehensively evaluate how our business operations intersect with environmental, social and governance (ESG) factors from two distinct but interconnected perspectives.

The assessment covers the full Group and is the basis on which material topics are identified, prioritised and reflected in the sustainability statement.

### Outside-in: financial materiality

The 'outside-in' perspective assesses how ESG issues can have a material financial impact on the company – influencing performance, the risk profile and strategic decision-making.

### Inside-out: impact materiality

The 'inside-out' perspective considers the significance of the company's own impact on society and the environment, covering both actual and potential effects of our operations and value chain.

## From two perspectives to prioritised material topics

### Alignment and transparency

This holistic approach aligns with stakeholder expectations and regulatory requirements, and promotes transparency and accountability in our sustainability practices.

### Identifying and prioritising topics

Through this dual analysis we systematically identify and prioritise material topics that are both significant to our stakeholders and have substantive influence on the economic, environmental and social aspects of Eco Baltia.

### Focus on value creation

The assessment helps discern which ESG topics are integral to our value-creation processes and long-term sustainability, allowing us to focus effort where we can make the most meaningful contributions and improvements.

### Informing stakeholders

This enhances corporate responsibility and informs stakeholders – including investors, customers and employees – about how Eco Baltia actively manages its ESG risks and opportunities.

### Double materiality

perspectives assessed: outside-in and inside-out



### Transparency and accountability

Embedded in sustainability practices



### Stakeholder expectations

Aligned with regulatory requirements



### Prioritised material topics

Focused on long-term value creation

## Methodologies and due diligence behind the assessment

### Methodologies and assumptions

The organisation applies a structured and systematic approach to identify and assess material impacts, risks and opportunities. We apply the double materiality principle, considering both financial materiality – impacts on the company's financial performance – and impact materiality, meaning impacts on the environment and society.

We engage with a broad range of stakeholders, including employees, customers, suppliers, investors and local communities, to gather diverse perspectives on material issues, and we use impact and risk mapping techniques to visualise and prioritise potential impacts, risks and opportunities based on their severity and likelihood.

### Due diligence process

A comprehensive due diligence process is used to identify, assess, prioritise and monitor potential and actual impacts on people and the environment. This process is integral to our sustainability strategy and supports the effective management of significant impacts.

We conduct thorough impact analyses to evaluate the severity and likelihood of potential and actual impacts, combining qualitative and quantitative assessments. Each assessment considers both financial materiality and impact materiality.

## Prioritisation, heightened risk and ESRS compliance

### Prioritising impacts

Impacts are prioritised on their relative severity and likelihood. Negative impacts take precedence according to their potential harm, while positive impacts are considered on the basis of their scale, scope and likelihood.

Qualitative and quantitative thresholds, as prescribed by the ESRS guidelines, determine which impacts are material for reporting purposes. The process covers impacts with which the undertaking is involved through its own operations or as a result of business relationships.

### Heightened-risk focus

By focusing on specific activities, business relationships, geographies and other factors associated with heightened risk, the Group ensures that significant adverse impacts are effectively addressed, in line with its commitment to sustainable and responsible business practices.

### ESRS disclosure requirements

Eco Baltia's sustainability statement complies with the ESRS disclosure requirements, including a comprehensive list of the topics assessed as material. The statement includes a content index setting out each ESRS disclosure requirement complied with, together with corresponding page numbers and paragraphs for easy reference. A separate table lists data points derived from other EU legislation, distinguishing those assessed as material from those assessed as non-material.

Specific explanations are given for any significant topic is evaluated as not material, ensuring transparency and forward-looking analysis.

# Environmental

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**E1** Climate change    **E2** Pollution    **E5** Resource use & circular economy

## Transition plan for climate change mitigation

### Paris-aligned targets

Targets – 50% lower CO2 per unit produced by 2030 and 100% renewable electricity consumption in all technically feasible sites by 2025 – align with the Paris Agreement's 1.5°C goal and the commitment to climate neutrality by 2050.

### Long-term ambition

By 2030–2050: cut CO2 per unit produced by 50% and move the vehicle fleet fully to sustainable fuels, with continuous gains in operational eco-efficiency and resource optimization.

### Embedded in strategy

The plan is integrated into overall business strategy and financial planning: new sorting plants, relocated and expanded production, and stakeholder engagement aligning environmental goals with regulatory expectations.

### Decarbonization levers

Short-term start Scope 3 accounting.  
Medium-term: 30% of the fleet on sustainable fuels, 25% lower CO2 per unit vs 2021, 50% material recovery, 100% renewable electricity.  
Long-term: align out targets with Science-Based Target initiative.

### CapEx & OpEx

Significant investment in renewable-energy infrastructure (solar), CNG and electric vehicles – directly supporting the KPIs for renewable-energy share and CO2 reduction under Regulation (EU) 2021/2178.

## Resilience to climate-related risks

### Scope of the analysis

A comprehensive evaluation of physical and transition climate risks within strategic and operational planning – including natural hazards, emergency preparedness and climate-scenario analysis. ISO-certified management systems are monitored and updated continuously.

### How it is conducted

Run through the Group Risk Management system: identification, evaluation and monitoring of risks, periodic impact assessments, reporting to state environmental services, stakeholder engagement and internal/external audits, with crisis-management and business-continuity plans kept up to date.

### Ability to adapt

Ambitious KPIs are built into strategy: 50% lower CO2 per unit by 2030, a fully sustainable-fuel fleet and continuous eco-efficiency gains. By end-2025, all technically feasible sites use renewable electricity – 65% of all procured electricity is renewable.

-50%

CO2 per unit produced by 2030

Scope 3

GHG accounting implemented across the value chain for all group companies

65%

of procured electricity renewable (2025)

ISO 14064

certified GHG management systems



Identified material impacts, risks and opportunities

| Topic Title & description |                                                                                                                                                                                                                                                    |                             | Type |   |          |                |            |            |             |           |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|------|---|----------|----------------|------------|------------|-------------|-----------|
|                           |                                                                                                                                                                                                                                                    |                             |      |   | Upstream | Own operations | Downstream | Short-term | Medium-term | Long-term |
| E1                        | <b>Greenhouse gas emissions from waste treatment</b><br><i>Emissions from waste-treatment operations and transport contribute to climate change.</i>                                                                                               | ● Potential negative impact |      | ● |          |                |            | ●          |             |           |
| E1                        | <b>Landfill waste reduction</b><br><i>Increased recycling cuts waste sent to landfill, lowering potent methane emissions.</i>                                                                                                                      | ● Actual positive impact    |      | ● |          |                |            |            | ●           |           |
| E1                        | <b>Carbon footprint from the waste-collection fleet</b><br><i>Diesel collection vehicles emit CO2 and pollutants.</i><br><i>Target: switch to sustainable fuels, enforce maintenance and use route-optimisation software.</i>                      | ● Actual negative impact    |      | ● |          |                | ●          |            |             |           |
| E1                        | <b>Energy use in waste-management facilities</b><br><i>High energy consumption in processing facilities can raise carbon emissions.</i>                                                                                                            | ● Potential negative impact |      | ● |          |                |            | ●          |             |           |
| E1                        | <b>Risk: carbon-emissions regulatory fines</b><br><i>Stricter emissions rules could bring fines for non-compliance, affecting finances.</i><br><i>Response: robust emissions monitoring, renewable investment and more efficient technologies.</i> | ● Risk                      |      | ● |          |                |            | ●          |             |           |
| E1                        | <b>Risk: litigation from environmental impact</b><br><i>Lawsuits from environmental damage in waste operations can bring significant legal costs.</i><br><i>Response: rigorous safety protocols and transparent community relations.</i>           | ● Risk                      |      | ● |          |                |            | ●          |             |           |
| E1                        | <b>Risk: increased energy costs</b><br><i>Rising costs of greener technologies and energy can reduce profit margins.</i><br><i>Response: energy-efficient equipment, optimised use and on-site renewable generation.</i>                           | ● Risk                      |      | ● |          |                |            | ●          |             |           |
| E1                        | <b>Opportunity: fleet transition to sustainable fuels</b><br><i>Sustainable fuels (HVO, bio-CNG) in collection vehicles can lower fuel costs and GHG emissions.</i>                                                                                | ● Opportunity               |      | ● |          |                |            | ●          |             |           |
| E1                        | <b>Opportunity: renewable-energy projects</b><br><i>Investing in solar and wind can reduce operating costs and strengthen reputation.</i>                                                                                                          | ● Opportunity               |      | ● |          |                |            |            |             | ●         |

## Processes, actions and targets on climate change

### Identifying impacts

A CO<sub>2</sub> monitoring and reduction plan, ongoing innovation to cut the carbon footprint, sustainable textile-sorting infrastructure, renewable energy and eco-efficiency, plus education campaigns on circular-economy and waste-sorting principles.

### Actions & resources

SBTs and Scope 3 accounting set; medium-term goals include 30% sustainable-fuel fleet and –25% CO<sub>2</sub>/unit vs 2021; by 2030, –50% CO<sub>2</sub>/unit and a fully sustainable-fuel fleet. A UN-SDG-aligned Sustainability Strategy directs investment in modern technology.

### Decarbonisation levers

More renewable energy (CNG, green electricity), higher energy efficiency per unit, sustainable fuels across fleet and forklifts, and own sustainable-energy generation. Target: avoid 6× more CO<sub>2</sub> through services than generated by 2025.

### Targets set

GHG reduction targets (absolute and intensity) cover Scope 1 and 2 under the GHG Protocol, with a net-zero, 1.5°C-aligned goal by 2050. Scope 3 targets are defined in absolute tCO<sub>2</sub>e for 2030 and 2050.

**30%**

of fleet on sustainable fuels

**~6x**

more CO<sub>2</sub> avoided than generated (2025)

**Prevention first**

waste-hierarchy policy

**Less landfilled material**

CO<sub>2</sub>e monitored to cut impact

## Pollution – processes and policies

### Double materiality

Assessment covers impact materiality (emissions, leakage, soil contamination) and financial materiality (fines, clean-up costs, reputation). Sites and activities are screened for pollution risks across own operations and the value chain – Yes, screening performed.

### Prevention & control

An internal policy framework prevents and reduces releases to air, water and soil: fenced, secured premises; waterproof storage with rainwater drainage; screens and filters capturing solids and petroleum products; chemicals stored in dedicated containment tanks.

### Tools & engagement

Environmental and life-cycle assessments and pollution monitoring, plus engagement with regulators, communities and NGOs to capture concerns and expectations.

### Incident response

Immediate containment and recovery on any leak; the pollution source is stopped and the spill collected without delay; supervisor and environmental specialist notified; root-cause analysis and corrective actions, including staff training, prevent recurrence.

## Resource use and circular economy

### Methodology & tools

A full value-chain GHG methodology (Scope 1, 2, 3) verified under ISO 14064. Wastewater, ambient- and stack-air and noise testing meet regulatory requirements; both generated and avoided emissions are monitored under ISO 14064-1:2018.

### Waste hierarchy

Policy prioritises prevention, preparation for re-use and recycling, followed by other recovery (energy) and responsible disposal – returning materials to the market with maximum added value.

### Resource efficiency

The 4 R's – reduce, reuse, recycle, recover – are embedded in waste management, with dedicated programmes and a strategy to improve resource efficiency across operations.

### Circular commitment

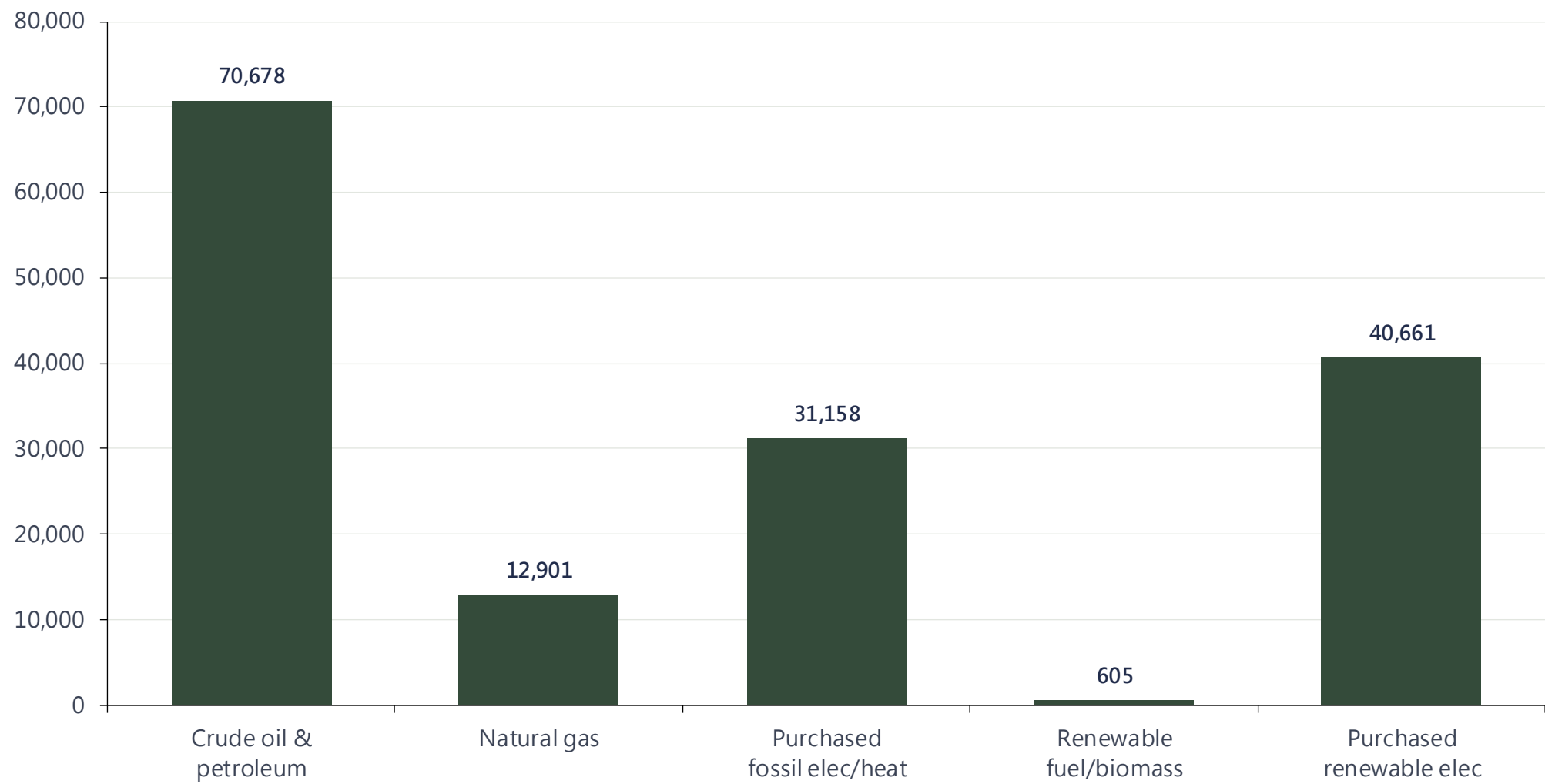
An efficient waste-management system reduces landfilled waste and monitors CO<sub>2</sub>-equivalent emissions to limit environmental impact.

# Energy consumption and mix

Energy mix – share of total consumption (%)



Energy consumption by source (MWh)



156 003

Total energy consumption (MWh)

114 737

Total fossil energy (MWh) · 73.6%

41 266

Total renewable energy (MWh) · 26.4%

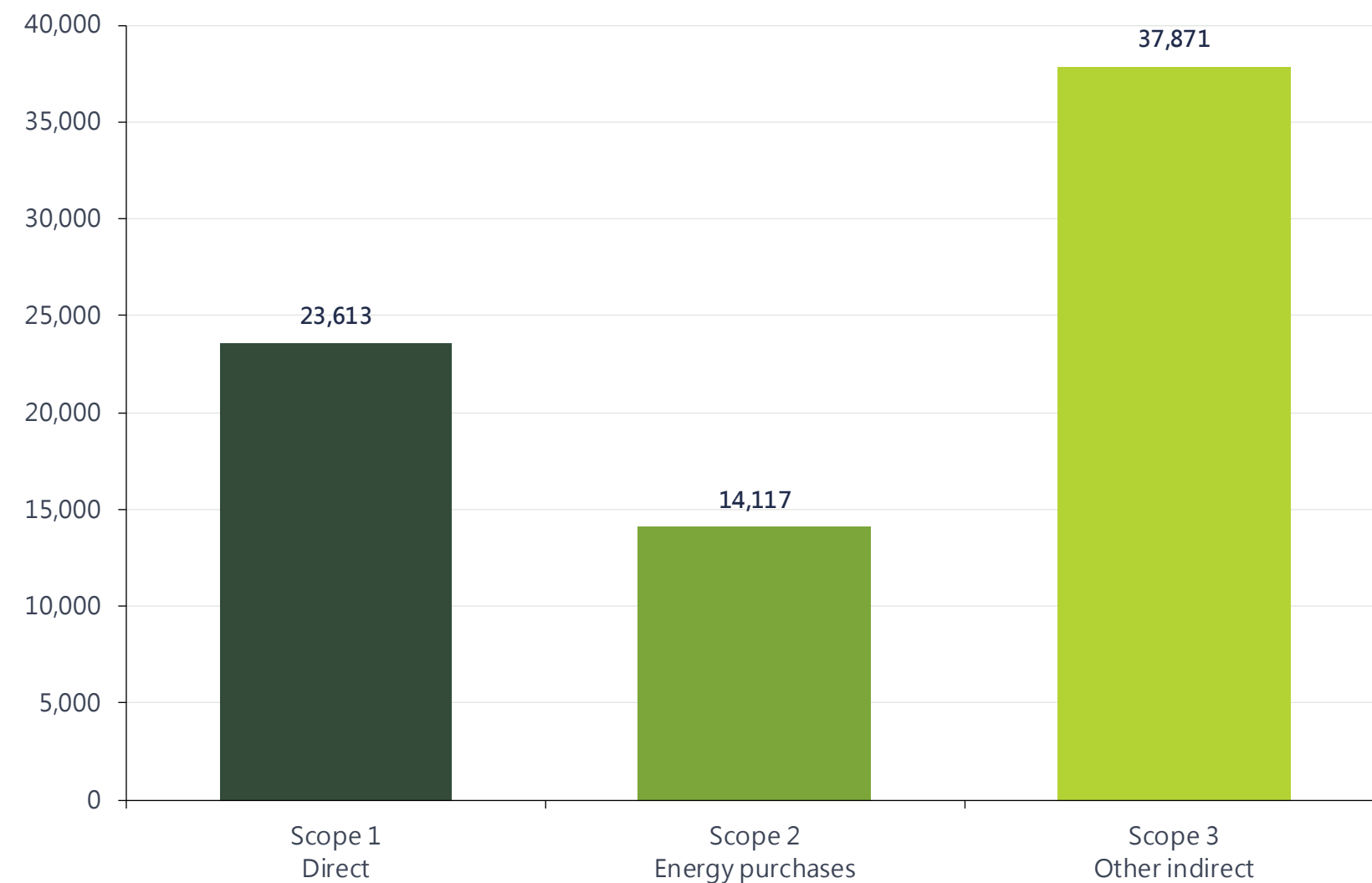
65%

of procured electricity renewable (2025)



## Gross Scope 1, 2 and 3 GHG emissions

Emissions by scope (tCO<sub>2</sub>e)\*



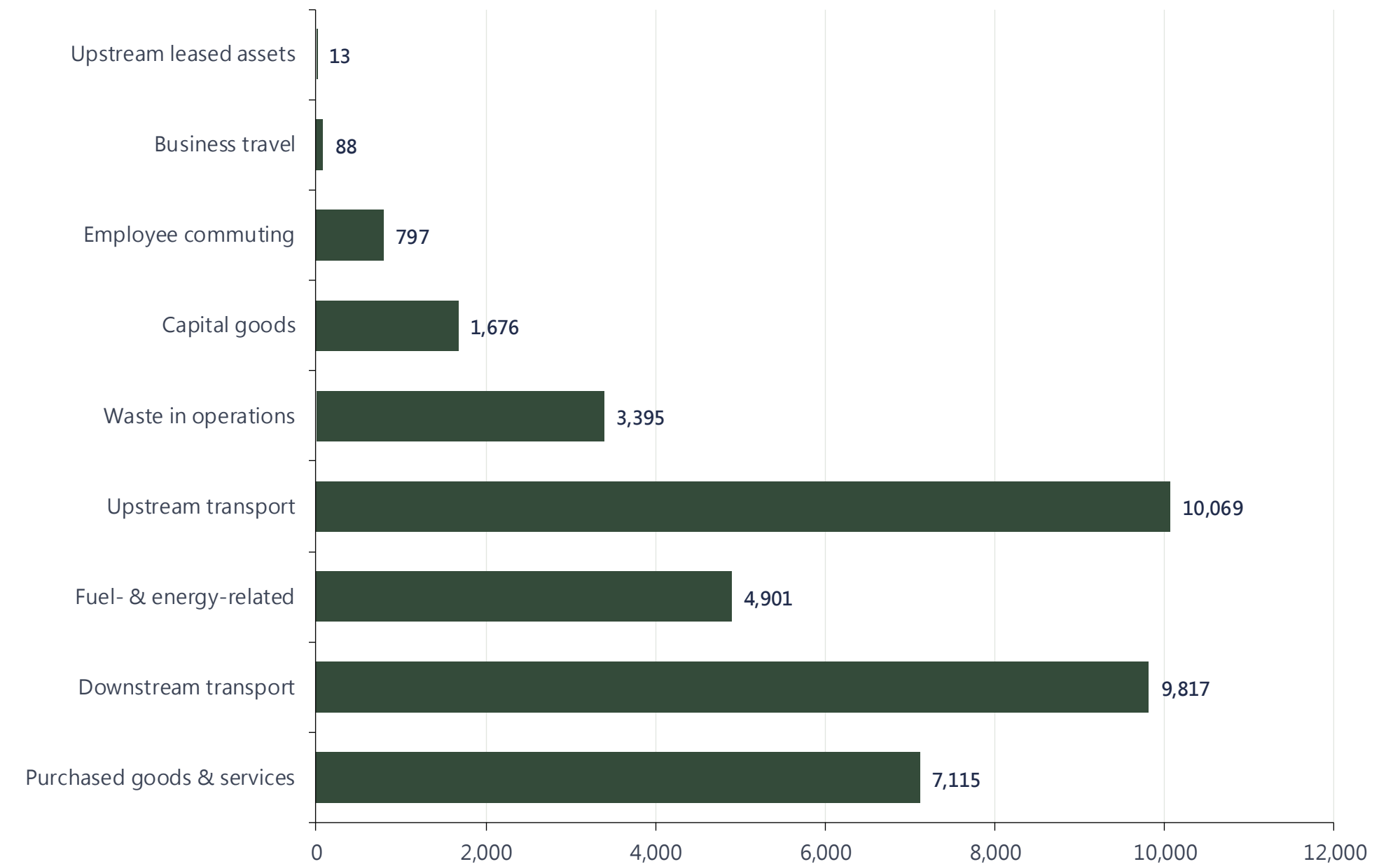
# 37 731

Total GHG emissions (Scope 1 & Scope 2)

# 14 117

Total GHG emissions – market-based (tCO<sub>2</sub>e)

Scope 3 breakdown by category (tCO<sub>2</sub>e)



\*The GHG emissions figures presented are based on the results of the ISO 14064 verification audit. The same calculation methodology has been applied consistently across all Group companies; however, data from Metal Plast and Tesil Fibres had not yet received ISO 14064 verification certification at the time of this report's publication.

# GHG emissions intensity

## Intensity and the climate case

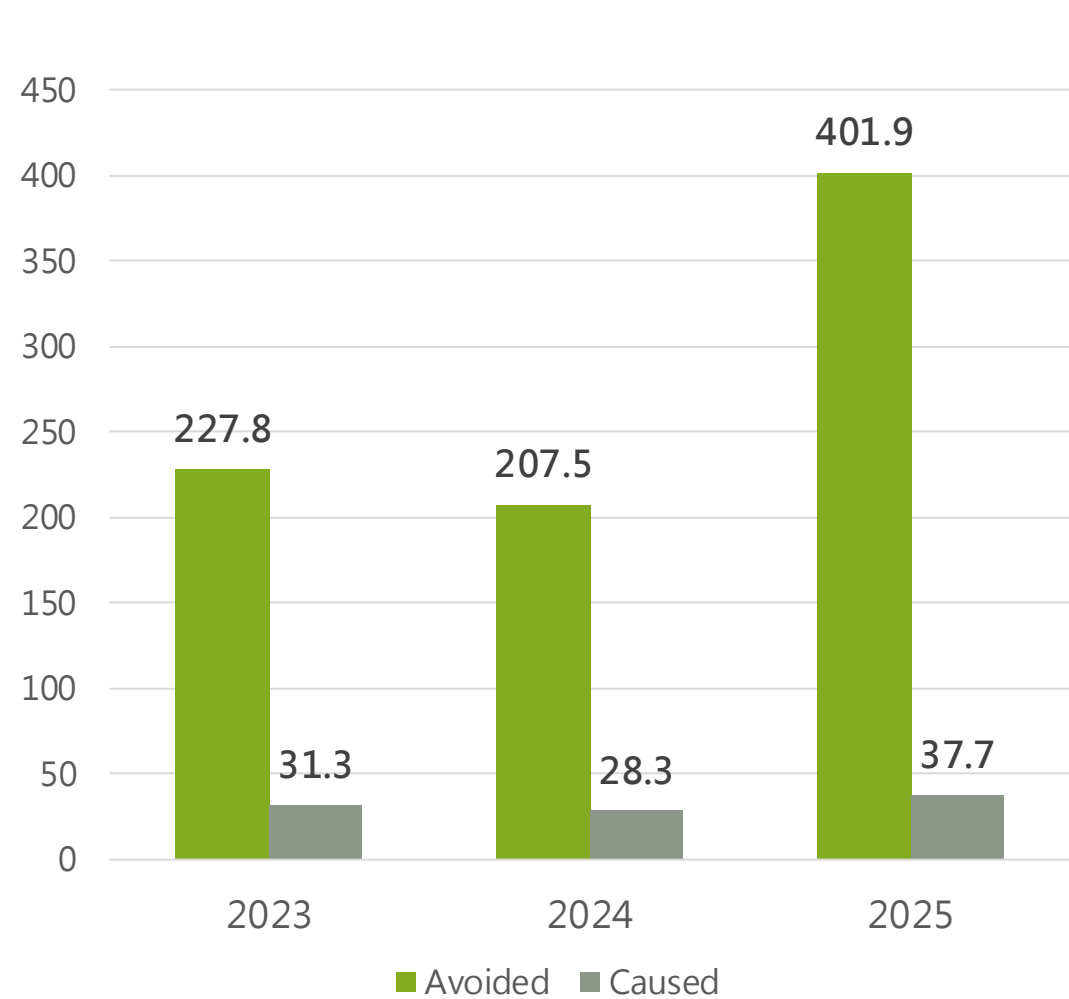
GHG emissions intensity was 93.34 tCO<sub>2</sub>e per million EUR of net revenue in 2025, calculated on net revenue of EUR 282.3 million.

Emissions are also viewed against the value the Group creates: the services provided avoid far more CO<sub>2</sub>e than operations generate – an avoided-to-caused ratio of more than 10× in 2025, up from 5.5× in 2021.

## The climate case, in numbers

We avoid far more emissions than our operations generate.

### Group GHG emissions – thousand tonnes CO<sub>2</sub>e



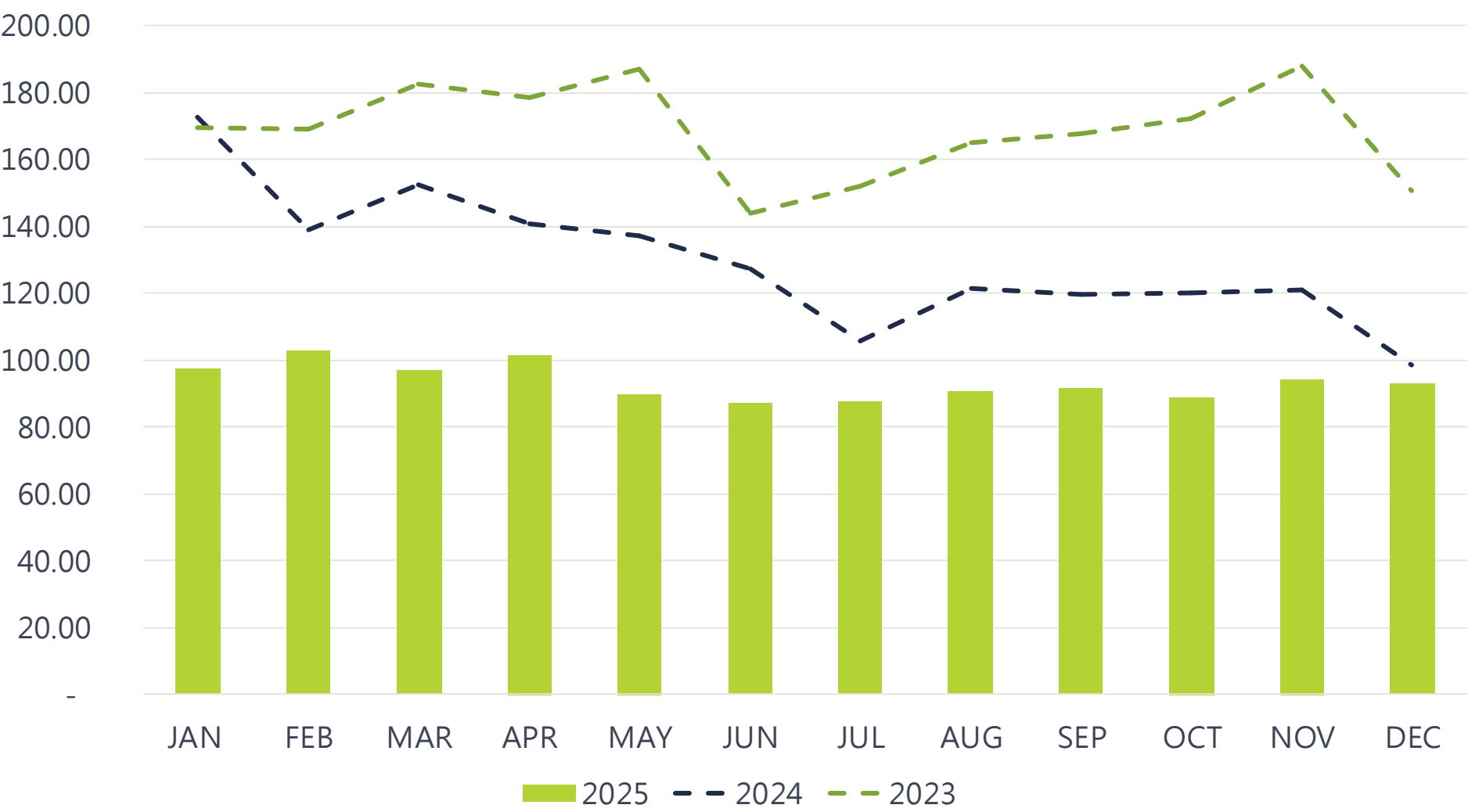
AVOIDED : CAUSED RATIO

10×

in 2025, increased from 5.5× in 2021

For every tonne of CO<sub>2</sub>e our operations generate, the services we provide help avoid more than 10 tonnes elsewhere. Avoided emissions rose 94% in 2025, to 401.9 kt, while caused emissions rose 33% to 37.7 kt.

### GHG emission intensity – monthly (per 1M EUR revenue)



93.34

GHG intensity (tCO<sub>2</sub>e / MEUR revenue)

282.3 M

Net revenue used for intensity (EUR)

# Social

---

**S1** Own workforce   **S2** Workers in the value chain   **S3** Affected communities   **S4** Consumers and end-users



# S1 OWN WORKFORCE

**S1.SBM-3** Material impacts, risks and opportunities and their interaction with strategy and business model

## Scope of own workforce

All people in Eco Baltia Group's own workforce who could be materially impacted by operations are within the ESRS 2 scope. It covers all companies under AS Eco Baltia's direct or indirect control across Latvia, Lithuania, the Czech Republic and Poland – including Eco Baltia vide, Ecoservice, ITERUM, Nordic Plast, Tesil Fibres and Metal-Plast.

## Employees and non-employees

The workforce comprises employees (predominantly drivers, loaders and environmental-maintenance workers, plus production staff) and non-employees – mainly agency workers supporting basic-level production during seasonal or fluctuating demand, and self-employed individuals.

## Material negative impacts

Analysis showed the most frequent causes were failure to follow OHS procedures and unsafe behaviour. The Group responded with stronger safety training, intranet sharing of incident learnings, reinforced safety supervision, root-cause investigation of every accident, and targeted safety campaigns.

## Who is most exposed

Collection and maintenance work off company premises – at client sites and in public areas – exposes drivers, loaders and maintenance staff to a higher risk of accidents. Production roles face hazards from handling hazardous materials, physical strain and the inherent fire risks of waste and recycling operations.

66 ↓

work-related accidents recorded in 2025 (down from 72 in 2024, no fatalities)

## Impacts of the green transition

As operations become greener and more climate-neutral, the Group supports employees through reskilling and upskilling (Leadership Pipeline and other programmes), a bonus system, regular engagement and satisfaction surveys, and improvements to the physical work environment – helping the workforce adapt while creating opportunities for development and long-term career growth.



Colleagues from across the Group came together in the Lithuanian countryside for the Eco Baltia Sports Festival, a country-style day of team competitions and celebration.



Identified material impacts, risks and opportunities

| Topic | Title & description                                                                                                                                                                                                                                                                                                                                                       | Type                                                                                                            | Upstream | Own operations                                                                        | Downstream | Short-term                                                                          | Medium-term                                                                           | Long-term |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------|---------------------------------------------------------------------------------------|------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-----------|
| S1    | <b>Exposure to hazardous materials</b><br><i>Workers may come into contact with hazardous waste, leading to potential health risks and injuries.</i>                                                                                                                                                                                                                      |  Potential negative impact   |          |    |            |                                                                                     |    |           |
| S1    | <b>Challenging work conditions can lead to physical strain and fatigue</b><br><i>Workers handling waste management tasks may experience physical strain, fatigue, and long-term health issues due to repetitive heavy lifting and long hours.<br/>Implement ergonomic improvements, provide adequate rest breaks, and ensure that work is rotated to minimize strain.</i> |  Potential negative impact   |          |    |            |  |                                                                                       |           |
| S1    | <b>Employee morale and job satisfaction</b><br><i>Substandard working environments, low pay, and lack of recognition can lead to low employee morale and job satisfaction.</i>                                                                                                                                                                                            |  Potential negative impact   |          |    |            |                                                                                     |    |           |
| S1    | <b>Discrimination or harassment negatively impacts workplace culture</b><br><i>Discrimination or harassment in the workplace can lead to a toxic work environment and high employee turnover.<br/>Establish and enforce anti-discrimination and anti-harassment policies, provide diversity training, and create a safe mechanism for employees to report issues.</i>     |  Potential negative impact   |          |    |            |  |                                                                                       |           |
| S1    | <b>Worker Injuries due to Handling Hazardous Materials</b><br><i>Workers may be exposed to hazardous materials, increasing the risk of injuries and health issues.<br/>Implement comprehensive training programs and provide adequate protective equipment.</i>                                                                                                           |  Potential negative impact |          |  |            |                                                                                     |  |           |
| S1    | <b>Long-Term Health Issues for Workers</b><br><i>Prolonged exposure to waste and recycling materials can lead to chronic health problems.</i>                                                                                                                                                                                                                             |  Potential negative impact |          |  |            |                                                                                     |  |           |
| S1    | <b>Emergency Response Plans</b><br><i>Inadequate emergency response plans can exacerbate the consequences of accidents and incidents.</i>                                                                                                                                                                                                                                 |  Potential negative impact |          |  |            |                                                                                     |  |           |

| Topic | Title &description                                                                                                                                                                                                                                                                                                                                                                                                                    | Type                        | Upstream | Own operations | Downstream | Short-term | Medium-term | Long-term |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------|----------------|------------|------------|-------------|-----------|
| S1    | <b>Occupational Stress from Shift Work</b><br><i>Irregular shifts can cause occupational stress and impact mental health of employees. Implement fair shift rotations and provide mental health support services.</i>                                                                                                                                                                                                                 | ● Potential negative impact |          | ●              |            |            | ●           |           |
| S1    | <b>Equal pay for equal work</b><br><i>Equal pay for equal work, anti-discrimination training, diversity recruitment efforts, and programs to support underrepresented groups. Addressing equal treatment and opportunities involves fostering a culture of respect, tolerance, and acceptance, where all employees have access to the same opportunities for advancement, career development, and recognition.</i>                    | ● Potential positive impact |          | ●              |            |            | ●           |           |
| S1    | <b>Employee Health and Safety Hazards</b><br><i>Exposure to hazardous materials, improper equipment usage, and operational accidents can lead to severe health issues for employees and potential lawsuits or regulatory penalties. We implement stringent safety training programs, regular health check-ups, and provide proper personal protective equipment.</i>                                                                  | ● Risk                      |          | ●              |            |            | ●           |           |
| S1    | <b>Labor Disputes due to Poor Working Conditions</b><br><i>Inadequate wages, long hours, and poor working conditions can lead to strikes, decreased productivity, and high turnover rates. Provide competitive wages and reasonable working hours, and continuously improve working conditions through regular employee feedback.</i>                                                                                                 | ● Risk                      |          | ●              |            |            | ●           |           |
| S1    | <b>Lack of Diversity and Inclusion</b><br><i>Failure to promote a diverse and inclusive workplace can result in discrimination claims, reputational damage, and reduced employee morale. We implement diversity and inclusion policies, regular training programs, and establish a zero-tolerance policy towards discrimination. Improve the function of trusted persons (potentially one for admin dep. and one for production).</i> | ● Risk                      |          | ●              |            |            | ●           |           |
| S1    | <b>Inadequate Employee Training</b><br><i>Insufficient training programs can lead to inefficiencies, increased error rates, and potential safety risks, impacting overall operational effectiveness. We develop comprehensive training programs that include both initial orientation and ongoing skills development.</i>                                                                                                             | ● Risk                      |          | ●              |            |            | ●           |           |



| Topic | Title &description                                                                                                                                                                                                                                                                                                                                                  | Type | Upstream | Own operations | Downstream | Short-term | Medium-term | Long-term |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------|----------------|------------|------------|-------------|-----------|
| S1    | <b>Poor Mental Health Support</b><br><i>Neglecting employee mental health can lead to increased absenteeism, lower productivity, and higher healthcare costs. Provide access to mental health resources, establish workplace wellness programs, and promote a supportive work culture.</i>                                                                          | Risk |          |                |            |            |             |           |
| S1    | <b>Inadequate Safety Training Leading to Injuries</b><br><i>Lack of proper safety training for employees may result in frequent workplace injuries, potentially leading to increased compensation costs and downtime. We implement comprehensive and regular safety training programs and conduct safety drills.</i>                                                | Risk |          |                |            |            |             |           |
| S1    | <b>Exposure to Hazardous Materials Affecting Worker Health</b><br><i>Employees could be exposed to hazardous materials, leading to serious health issues and costly healthcare claims. Ensure proper use of Personal Protective Equipment (PPE), regular health check-ups, and enforce strict handling protocols for hazardous substances.</i>                      | Risk |          |                |            |            |             |           |
| S1    | <b>High Turnover Due to Poor Working Conditions</b><br><i>Poor working conditions may lead to high employee turnover, reducing productivity and increasing recruitment costs. Improve working conditions, implement employee wellness programs, and offer competitive benefits and compensation.</i>                                                                | Risk |          |                |            |            |             |           |
| S1    | <b>Community Health Impact from Waste Operations</b><br><i>Proximity of waste management operations to residential areas might adversely affect community health, leading to reputational damage and legal and legal issues. We invest in advanced waste processing technologies to minimize emissions and conduct regular community health impact assessments.</i> | Risk |          |                |            |            |             |           |
| S1    | <b>Insufficient Emergency Response Leading to Accidents</b><br><i>Lack of adequate emergency response plans and equipment can lead to severe accidents and regulatory fines. Develop and regularly update emergency response plans, conduct drills, and ensure availability of necessary emergency equipment.</i>                                                   | Risk |          |                |            |            |             |           |

| Topic | Title &description                                                                                                                                                                                                                                                        | Type        | Upstream | Own operations | Downstream | Short-term | Medium-term | Long-term |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|----------------|------------|------------|-------------|-----------|
| S1    | Low chances attracting high level professional                                                                                                                                                                                                                            | Risk        |          |                |            |            |             |           |
| S1    | Improved Employee Training on Safety Protocols<br><i>Enhancing safety training can reduce workplace accidents and associated costs.</i>                                                                                                                                   | Opportunity |          |                |            |            |             |           |
| S1    | Investment in Health and Safety Technology<br><i>Implementing advanced safety technology can lower health-related incidents and improve productivity.</i>                                                                                                                 | Opportunity |          |                |            |            |             |           |
| S1    | Comprehensive Health Programs for Employees<br><i>Offering comprehensive health programs can reduce absenteeism and increase employee retention rates.</i>                                                                                                                | Opportunity |          |                |            |            |             |           |
| S1    | Regular Safety Audits and Inspections<br><i>Conducting regular safety audits can identify risks early and prevent costly incidents.</i>                                                                                                                                   | Opportunity |          |                |            |            |             |           |
| S1    | Engagement in Community Health Initiatives<br><i>Participating in local health initiatives can improve the company's public image and attract more business.</i>                                                                                                          | Opportunity |          |                |            |            |             |           |
| S1    | Mental health support initiative<br><i>Establish internal position for mental health support (independent person/specialist).</i>                                                                                                                                         | Opportunity |          |                |            |            |             |           |
| S1    | Promoting equal treatment<br><i>By promoting equal treatment and opportunities for all, organizations can create a more inclusive and supportive work environment, where diversity is valued, and every individual can thrive and contribute to their full potential.</i> | Opportunity |          |                |            |            |             |           |

## No operations at significant risk of forced or child labour

### No risk of forced or compulsory labour

No Eco Baltia Group operation is considered at significant risk of forced or compulsory labour. Across Latvia, Lithuania, the Czech Republic and Poland, employment is entered into voluntarily and formalised through written agreements.

### No child-labour risk

The Group operates only in EU member states where child labour is strictly regulated. No operating country is at significant risk. Minimum working ages and protections for minors are set by national law, and age is verified at recruitment.

### Young workers

Where young people are engaged at all, this is limited to occasional light summer work by adolescents under strict legal safeguards, including parental and, where relevant, school consent.

### Verified compliance

Compliance with labour legislation is verified regularly through inspections by public authorities, and no instances of forced or compulsory labour have been identified. This is reinforced by the Group's HR Policy and Personnel Handbook, which explicitly prohibit forced labour.

No cases

of forced or compulsory labour identified

### Understanding who is at greater risk

Understanding is developed through risk-assessment and incident-investigation processes in ISO 45001-certified OHS systems (Eco Baltia vide, Ecoservice, ITERUM): hazard identification, annual risk assessments, site patrols and transparent reporting of hazards and near misses.

### Higher-risk contexts

Work at client sites and in public areas (drivers, loaders, maintenance) and production roles handling hazardous substances or facing fire risk are recognised as higher-risk. Root-cause analysis of the 66 accidents in 2025 identified non-compliance with safety instructions, inattention and relocation to new premises as main factors.

### Targeted action

Findings drive additional safety personnel, repeated training, clearer OHS responsibilities, upgraded PPE and better incident communication – applying the hierarchy of eliminating risk at source and prioritising collective protection. In 2025, elevated mould at the ITERUM facility was assessed and fully remediated.

ISO 45001

certified OHS systems at key entities

## Human rights policy commitments relevant to own workforce

### A comprehensive approach

Eco Baltia Group upholds a comprehensive approach to human rights, ensuring every employment relationship rests on voluntary and mutual consent as set out in the employment contracts used across Latvia, Lithuania, the Czech Republic and Poland.

### Prohibition & non-discrimination

In line with internationally recognised frameworks, the Group prohibits forced and compulsory labour and applies strict non-discrimination standards rooted in national labour law and internal HR policies.

### Grievance & representation

Grievance mechanisms let staff raise concerns about unequal treatment, including confidential reporting to management. The Group's companies have also established channels for worker representation – and, at TESIL Fibres, collective bargaining – reinforcing respect for human rights in the workplace.

### Protected characteristics

These standards forbid discrimination on the basis of age, gender, ethnicity, religion, sexual orientation, political beliefs and other protected characteristics, while actively promoting equal treatment and equal opportunities for all employees.



#### Worker representation

Incl. collective bargaining at TESIL Fibres



#### National labour law

Non-discrimination rooted in each country's law



#### Equal opportunity

For all, across protected characteristics



#### Grievance channels

Confidential reporting to management



## Monitoring compliance with international human-rights instruments

### Processes and mechanisms

Comprehensive processes monitor compliance with the UN Guiding Principles, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines. Each subsidiary appoints responsible persons for environmental and social requirements and permit compliance.

### Embedded in policy

These commitments are integrated into the Group's HR Policy, Personnel Handbook and internal rules. All employment is voluntary and formalised in writing, with specific measures against forced and child labour. Policies are reviewed regularly to track legal and best-practice changes.

### Respect for human & labour rights

No form of forced labour is used across operations. Non-discrimination and equal opportunity are prioritised, aligned with national labour laws, ensuring fair treatment irrespective of age, gender, ethnicity, religion or sexual orientation, across recruitment, evaluation and career development.

#### UN Guiding Principles

on Business & Human Rights

#### ILO Declaration

Fundamental Principles & Rights at Work

#### OECD Guidelines

for Multinational Enterprises

### Engagement

Labour disputes are resolved through structured negotiation. Robust internal channels (email, intranet, monthly stand-ups) and an anonymous whistle-blower policy support engagement, alongside LEAN culture, surveys and wellness and safety campaigns.

### Enabling remedy

Zero forced-labour cases reported. Employees can raise grievances confidentially, promoting transparency and accountability, and worker engagement is fostered through union participation and representation in line with policy and regional legislation.

### Alignment with instruments

Group policies align with the UN Guiding Principles, ILO Declaration and OECD Guidelines, with the HR Policy and Personnel Handbook emphasising non-discrimination and equal opportunity under the national labour laws of all four operating countries.



#### Reviewed regularly

Kept current with law & best practice

## Processes for engaging with own workers and their representatives

### Perspectives inform decisions

Eco Baltia fosters employee involvement through direct engagement and representation. Regular satisfaction surveys gather feedback on experiences, concerns and expectations; insights are reviewed by management and used to identify improvements and strengthen workplace practices.

### Engagement with the workforce

The Group engages employees and their representatives through several mechanisms. Employment disputes are resolved via internal dialogue, backed by a structured grievance system. The whistle-blower policy allows anonymous reporting of possible breaches.

### A dedicated channel

All Group companies provide a dedicated channel for employees to submit complaints, share suggestions and propose improvements – supporting ongoing dialogue and the timely identification and resolution of workplace matters.

### Ongoing communication

Regular internal communications keep employees informed about performance, safety and workplace policies. The LEAN culture involves continuous engagement to improve efficiency and satisfaction, while structured induction, mentoring and training support development and consultation.

#### Satisfaction surveys

Feedback turned into action plans

#### Grievance system

Structured, with internal dialogue

#### Whistle-blower policy

Anonymous reporting of breaches

#### LEAN culture

Continuous employee engagement

SUSTAINABILITY RELATED POLICIES AND PROCEDURES

| Title of Eco Baltia Group policy or procedures                                                                                  | Brief description                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Code of Ethics (3rd revision, 2023)                                                                                             | Professional conduct standard for all Group employees and board members: values, anti-bribery, conflicts of interest, gifts, lobbying, donations, procurement and reporting. |
| Sustainability and Environmental Policy (2022)                                                                                  | Sets the Group's sustainability, environmental and CSR principles: circular economy, responsible resource use, human rights, governance principles, fair pay and safe work.  |
| Risk Management Policy (2023)                                                                                                   | Commits the Group to effective risk management: identification, assessment, treatment, monitoring and communication of risks within the set risk appetite.                   |
| Gifts and Hospitality Procedure (2nd version, 2023)                                                                             | Requirements for giving, receiving and recording gifts and hospitality: legitimate, reasonable, open and never linked to an advantage. Sets value thresholds.                |
| Internal Investigation Procedure (2nd version, 2023)                                                                            | Sets how internal investigations into possible breaches of law, the Code or internal rules are organised, who leads them, and the lawful, impartial conduct required.        |
| Internal Security Procedure (2nd version, 2023)                                                                                 | Organises physical security of employees, visitors and property: access control, video surveillance, security and fire systems, supervision and emergency response.          |
| Lobbying Procedure (2nd version, 2023)                                                                                          | Sets how lobbying for Group interests is planned and conducted: Code compliance, no undue advantage, and legal and reputational risks mitigated.                             |
| Occupational Safety Procedure (2023)                                                                                            | Common occupational safety procedure under Latvian law: accident prevention, risk assessment, health examinations, safety training and employee information.                 |
| Personnel Policy and Procedures (version 3, 2023)                                                                               | Defines HR principles: workforce planning, selection and development, performance management, pay and incentives, communication, equal rights and safety.                    |
| Procedure for Assessing Counterparty, Transaction and Sanction Risks (version 5, 2024)                                          | Ensures Sanctions Law compliance and mitigates supply chain risks of default, fraud and VAT fraud by verifying new suppliers and customers by deal value.                    |
| Procedure for Donations and Sponsorships (2nd version, 2023)                                                                    | Uniform procedure for planning, evaluating and approving donations and sponsorships; bans political contributions and mitigates reputational and legal risks.                |
| Procedure for the Fulfilment of Due Diligence Obligations in the Field of Sustainability (ESG Due Diligence, 1st edition, 2026) | Sets how the Group performs sustainability due diligence on major transactions, investments and suppliers under EU Directive 2024/1760.                                      |
| Procurement Procedure (3rd version, 2023)                                                                                       | Uniform procedure for procurement above EUR 2,000 and public tenders: transparent, objective supplier selection, legal review of contracts, no cash payments.                |
| Quality, Environmental, Occupational Health and Safety, Energy Efficiency and Sustainability Policy (SIA Eco Baltia vide, 2025) | Core principles of quality, environment, safety, energy and sustainability: integrated ISO-compliant system, CO2 reduction, circular economy and safe work.                  |
| Procedure for Managing Conflict of Interest Situations (version 3, 2023)                                                        | Sets how actual, potential and apparent conflicts of interest are identified, reported and managed. Applies to all employees and board members.                              |
| Policy on the Selection, Nomination, Evaluation and Responsibility of Management Board Members (2024)                           | Common principles for selection, nomination, evaluation and responsibility of Management Board members, including education, experience, skills and diversity.               |

Additional information about policies related to own workforce (S1-1)

|                                                                                                                                                                                                                                                                | In place | Not applicable / not in place |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------------------|
| Policies are aligned with relevant internationally recognized instruments                                                                                                                                                                                      | ●        |                               |
| Policies explicitly address trafficking in human beings, forced labor or compulsory labor and child labor                                                                                                                                                      | ●        |                               |
| Policies explicitly address trafficking in human beings                                                                                                                                                                                                        | ●        |                               |
| Policies explicitly address forced labor or compulsory labor                                                                                                                                                                                                   | ●        |                               |
| Policies explicitly address child labor                                                                                                                                                                                                                        |          | ●                             |
| Workplace accident prevention policy or management system is in place                                                                                                                                                                                          | ●        |                               |
| Specific policies aimed at elimination of discrimination are in place                                                                                                                                                                                          |          | ●                             |
| Policies aimed at elimination of harassment are in place                                                                                                                                                                                                       |          | ●                             |
| Policies aimed at promoting equal opportunities are in place                                                                                                                                                                                                   | ●        |                               |
| Supplier codes of conduct include provisions addressing safety of workers                                                                                                                                                                                      | ●        |                               |
| Supplier codes of conduct include provisions addressing precarious work                                                                                                                                                                                        | ●        |                               |
| Policies and procedures which make qualifications, skills and experience basis for recruitment, placement, training and advancement at all levels are in place                                                                                                 | ●        |                               |
| Undertaking assigns responsibility at top management level for equal treatment and opportunities in employment, issue clear company-wide policies and procedures to guide equal employment practices, and link advancement to desired performance in this area | ●        |                               |
| Adjustments to physical environment to ensure health and safety for workers, customers and other visitors with disabilities have been made                                                                                                                     | ●        |                               |
| Undertaking evaluates whether job requirements have been defined in way that could systematically disadvantage certain groups                                                                                                                                  | ●        |                               |
| Up-to-date records on recruitment, training and promotion that provide transparent view of opportunities for employees and their progression within undertaking have been kept                                                                                 | ●        |                               |
| Programs to promote access to skills development are in place                                                                                                                                                                                                  | ●        |                               |

## Engagement stages, agreements and vulnerable groups

### Stage, type and frequency

Engagement runs across project stages – planning, public consultation and Environmental Impact Assessment. Activities include stakeholder analysis, consultation meetings and surveys. The approach is reviewed regularly, including annual assessment of the engagement plan, and feedback informs decisions.

### Agreements on human rights

The Group has formal arrangements with workers' organisations and trade unions; employees may freely join and engage in collective bargaining. Most companies have appointed employee trustees to represent the workforce, so workers' views on human rights and employment conditions are taken into account.

**880**

employees took part across the Group

**84%**

employee survey response rate from companies located in Latvia (Aug–Sep 2025)

### Reaching vulnerable groups

Surveys and communication foster open engagement. Multiple channels (email, intranet, meetings, internal social media) let employees share feedback; infrastructure is made accessible (e.g. adapted sorting containers). Wellbeing initiatives, H&S campaigns and LEAN promote an inclusive culture.

### Managing conflicts of interest

Employees are categorised into high- and low-risk groups by role and must promptly disclose any actual or potential conflicts to their manager, the Head of Company or the Ethics Commissioner. Disclosures are documented and reviewed annually under the conflict-of-interest procedure.

### Respecting stakeholders' rights

Structured stakeholder identification supports the inclusion of those affected in decision-making. Internal communications, surveys and participation channels let workers raise concerns about fair treatment, safe conditions and freedom of association without fear of reprisal.

**59 / 100**

engagement index, +3 pts year-on-year

## Remediation and channels for own workers to raise concerns

### Approach to remedy

Remedy begins with resolving conflicts and grievances through negotiation within the organisational hierarchy. Disciplinary measures follow the applicable national labour law, and employees may always present their explanation first. Unresolved matters can escalate to the Labour Disputes Commission or the courts.

### Channels to raise concerns

A formal whistleblowing system with a dedicated email and hotline is overseen by an internal auditor; anonymous reporting is possible and protected from retaliation. Email, intranet, meetings, information screens and internal social media support timely information-sharing, with feedback via meetings and surveys.

### Tracking and effectiveness

Reports are logged, reviewed confidentially and investigated where warranted; credible allegations are examined by a commission of three senior managers. Each report is followed through to corrective measures and verification, and findings feed back into internal controls.

### Cases in practice (2025)

A January report on mould at the ITERUM office was assessed by two independent laboratories; contaminated materials were removed and replaced, areas reconstructed and ventilation improved. A May report on Ecoservice trading activities was reviewed under compliance procedures, confirming alignment with controls.

### Awareness and trust

Channels are communicated via email, intranet, closed groups and manager meetings. Satisfaction surveys evaluate internal-communication effectiveness, with results shared on screens and boards, reinforcing a culture of openness and trust.



### Tracked to closure

Corrective measures verified



### Whistleblowing system

Dedicated email & hotline, internal auditor



Managing the green transition and internal functions involved

Mitigating transition impacts

As a waste-management and recycling group, Eco Baltia's core business is itself part of the transition to a circular, climate-neutral economy. It manages workforce impacts primarily through reskilling, upskilling and engagement – Leadership Pipeline, Growth Academy and 5S/LEAN workshops help employees adapt to new technologies and roles.

Support through change

Continuous communication and feedback – including satisfaction surveys and grievance channels – identify and address concerns as conditions change. The Group invests in the physical working environment (ergonomics, ventilation, safety) and in initiatives to strengthen engagement and reduce turnover.

Governance functions

The Supervisory Board, Management Boards and senior management set workforce goals and approve policies. A dedicated Sustainability Management Group coordinates the approach, while company directors implement at entity level.

Operational functions

HR manages recruitment, pay, training, performance, engagement and grievances. The OHS function (safety managers, job-safety specialists, employee safety representatives) identifies hazards, assesses risk, trains and investigates incidents. Legal maintains policies; the internal auditor oversees whistleblowing.

Types of action

Functions develop and review policies; run risk assessments and incident investigations with corrective measures; conduct fire-safety and OHS audits; deliver safety training and communication; run engagement surveys and action plans; and administer fair-pay, diversity and wellbeing programmes – tracked through job-safety meetings, feedback and metrics.

Action on material impacts and alignment with the SDGs

Health and safety

The Group rolled out the 5S methodology across production sites, introduced ergonomic office equipment, and delivered specialised training (work at height; forklifts, chainsaws, brush cutters, MEWPs) plus first-aid and advanced OHS training.

Job security and pay

It signed the 'Mission Zero' initiative at ITERUM, maintained long-term contracts and career support, and provides 24/7 accident insurance from day one. A remuneration policy with clear pay-review criteria and a bonus system reward top performers.

Wellbeing and efficiency

Flexible and remote work, wellbeing and mental-health content, and digitalisation (delivery tracking, automated goods-receipt and order-picking, electronic documentation) support work-life balance and cut administrative load.

Underway

The Group is strengthening social dialogue through works councils, advancing equal treatment (gender equality, support for employees with disabilities) and enforcing anti-violence and anti-harassment measures, tracked through assessments, feedback and metrics.

| GOAL                                 | WHAT IT MEANS                                                                                                                                                           | ECO BALTIA FOCUS                                                                       |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| 4<br>Quality Education               | <b>SDG 4 · Quality Education</b><br>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.                               | Employee development & training; public education campaigns on the circular economy.   |
| 5<br>Gender Equality                 | <b>SDG 5 · Gender Equality</b><br>Achieve gender equality and empower all women and girls.                                                                              | Equal treatment at all times; no discrimination of women in recruitment or management. |
| 8<br>Decent Work and Economic Growth | <b>SDG 8 · Decent Work and Economic Growth</b><br>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. | Equal pay for equal work; health & safety rules, regular training and Code of Conduct. |



| GOAL                                                | WHAT IT MEANS                                                                                                                                                                                      | ECO BALTIA FOCUS                                                                                     |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>6</b><br>Clean Water and Sanitation              | <b>SDG 6 · Clean Water and Sanitation</b><br>Ensure availability and sustainable management of water and sanitation for all.                                                                       | Compliance with water regulations; lower water use and higher water reuse in production.             |
| <b>7</b><br>Affordable and Clean Energy             | <b>SDG 7 · Affordable and Clean Energy</b><br>Ensure access to affordable, reliable, sustainable and modern energy for all.                                                                        | Growing share of renewable energy (CNG, green electricity); energy efficiency per unit.              |
| <b>9</b><br>Industry, Innovation and Infrastructure | <b>SDG 9 · Industry, Innovation and Infrastructure</b><br>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.                               | Expanding sorted-waste collection infrastructure; innovation raising recycled-material use.          |
| <b>12</b><br>Responsible Consumption and Production | <b>SDG 12 · Responsible Consumption and Production</b><br>Ensure sustainable consumption and production patterns.                                                                                  | Recycled inputs, renewable fuels & energy, closed-loop principle, sustainable procurement.           |
| <b>13</b><br>Climate Action                         | <b>SDG 13 · Climate Action</b><br>Take urgent action to combat climate change and its impacts.                                                                                                     | CO <sub>2</sub> emission monitoring & reduction plan; stakeholder awareness on the circular economy. |
| <b>4</b><br>Quality Education                       | <b>SDG 4 · Quality Education</b><br>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.                                                          | Employee development & training; public education campaigns on the circular economy.                 |
| <b>5</b><br>Gender Equality                         | <b>SDG 5 · Gender Equality</b><br>Achieve gender equality and empower all women and girls.                                                                                                         | Equal treatment at all times; no discrimination of women in recruitment or management.               |
| <b>8</b><br>Decent Work and Economic Growth         | <b>SDG 8 · Decent Work and Economic Growth</b><br>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.                            | Equal pay for equal work; health & safety rules, regular training and Code of Conduct.               |
| <b>16</b><br>Peace, Justice and Strong Institutions | <b>SDG 16 · Peace, Justice and Strong Institutions</b><br>Promote peaceful and inclusive societies, provide access to justice for all and build effective, accountable and inclusive institutions. | Zero tolerance to ethical violations; ethics and integrity across the whole value chain.             |

Targets: engaging the workforce and intended outcomes

Engaged in setting targets

The Group engages its workforce in setting and reviewing targets through structured engagement. Input is gathered mainly via the annual employee survey, translated into action plans to improve performance and working conditions. Employees also help develop initiatives such as LEAN that improve efficiency and safety compliance.

Tracking performance

Workforce and representatives are engaged in tracking performance. Monthly management meetings review performance, execution status and deviations and propose corrective actions. Frequent LEAN 'Asaichi' meetings report and revise performance, supported by internal channels and regular surveys.

Intended outcomes

The Group has set commitments in occupational health and safety, equal opportunities, wellbeing and ethical conduct – pursuing zero major incidents of legal non-compliance or penalties, fair remuneration based on competence regardless of gender, and continuous review of pay practices.

Wellbeing priority

Wellbeing remains a priority: health-insurance coverage, health-promotion initiatives, expert-led sessions and continuous ergonomic improvements aim to maintain a safe, inclusive and supportive environment where employees can develop and achieve long-term wellbeing.

Targets: comparability, standards and commitments

Stable definitions over time

The Group applies a consistent approach to monitoring workforce performance, based on clearly defined objectives and compliance measures that remain stable over time to enable comparability – with particular focus on preventing major incidents of legal non-compliance or penalties.

Continuous improvement

The Group monitors regulatory developments and communicates updates across the organisation. Ethical standards are reinforced through policies, training and awareness that promote responsible conduct, respect for human rights, and a culture of integrity and accountability.

Zero tolerance

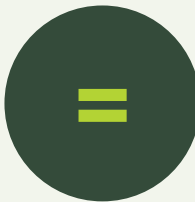
A zero-tolerance approach applies to discrimination, harassment and other unethical behaviour. Applying these principles with stable definitions and methodologies from one period to the next lets the Group assess performance over time and support long-term comparability.

Standards and commitments

Annual goals target compliance with ethical and human-rights standards, including EU and international regulation, embedded in counterparty verification, ISO quality standards and stakeholder engagement. Key commitments: ethical compliance across the value chain, valid environmental permits for partners, and equality in remuneration.



**Zero major incidents**  
of legal non-compliance or penalties



**Fair remuneration**  
by competence, regardless of gender

100%

target compliance with ethical standards

Zero

tolerance for discrimination or harassment



**Employee wellbeing**  
health insurance & promotion



**Reviewed annually**  
pay practices & working conditions

ISO

quality-system standards embedded

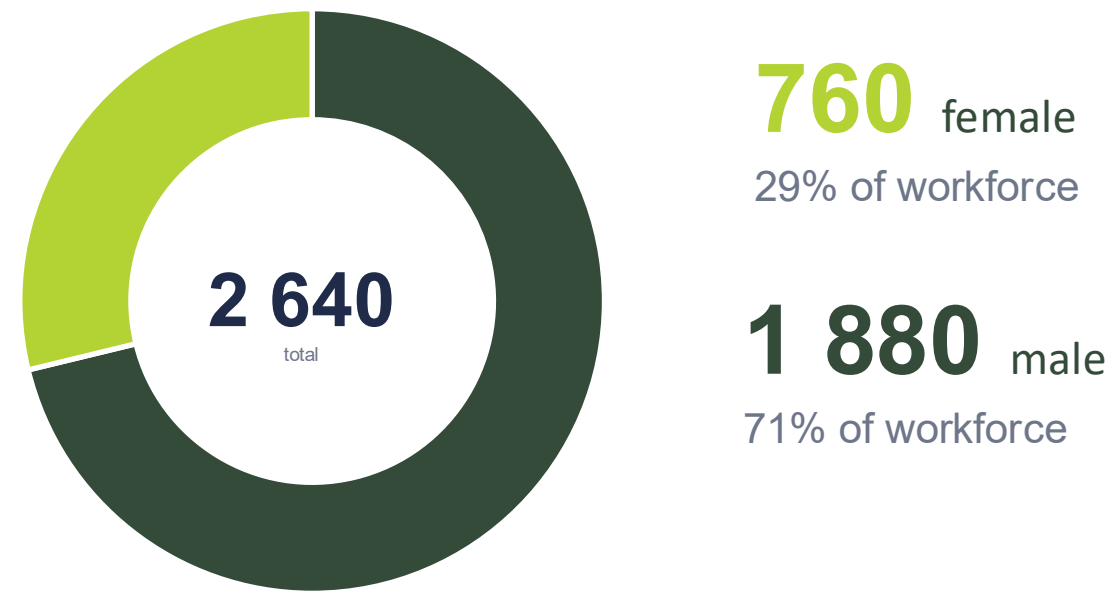
Annual

legislative monitoring & review

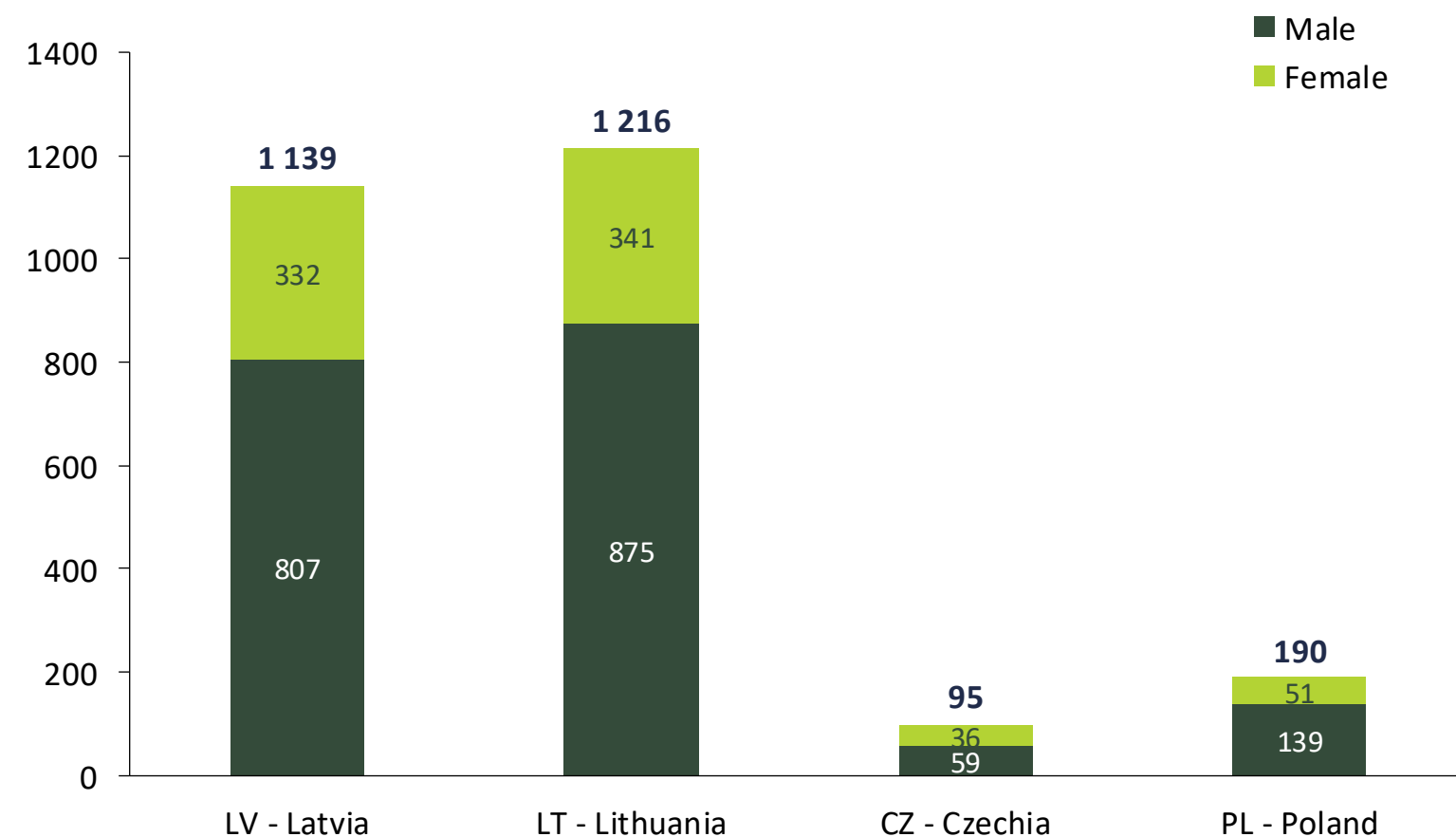


## Characteristics of the undertaking's employees

Employees by gender (head count)



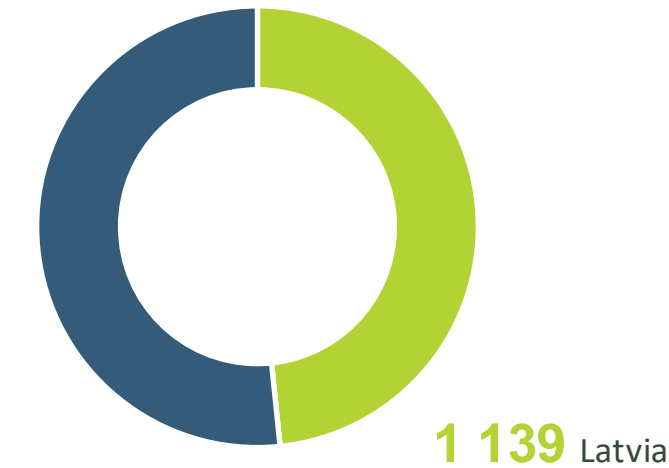
## Employees by region and by gender (head count)



## Headcount by country, turnover and methodology

Countries with ≥50 employees & ≥10% of workforce

1 216 Lithuania



In all Group's companies combined

**1 027**  
employees left during the period

**38.9%**  
employee turnover rate

Combined 2 355 employees · average 1 178 per country

**Methodology:** Turnover coefficient =  $X / Y$ , where X = employees who left and Y = total employees at period end. Headcounts are reported at the end of the reporting period; employee numbers are also reported in full-time equivalent (FTE).

## Characteristics of non-employee workers in the workforce

### Most common types

Eco Baltia Group production companies, where needed, employ agency workers to support basic-level production operations. This helps meet seasonal or fluctuating production demand efficiently, ensuring continuity and flexibility in manufacturing.

### Type of work performed

They are typically engaged in routine, manual or lower-skilled tasks within production lines, and are subject to the same working-condition and safety impacts as comparable employees in those roles.

### Relationship with the Group

These non-employees are engaged through undertakings primarily providing labour, supplementing the core workforce during peak periods rather than through direct employment contracts.

## Collective bargaining coverage and social dialogue

### Coverage within the EEA

All Eco Baltia Group employees covered by a collective bargaining agreement are located within the European Economic Area, ensuring their employment terms align with regional labour standards and regulatory frameworks.

### Employees not directly covered

Where employees do not fall directly under an agreement, their terms still follow the framework set by agreements covering other employees within the Group, or equivalent agreements at comparable companies – keeping treatment aligned and equitable across the workforce.

### Non-employees

Agency staff are not directly party to collective bargaining, but the terms they work under are shaped by benchmarks in agreements covering comparable employees. This is reinforced by ISO 45001, extending a consistent approach to health, safety and wellbeing to all.

# 100%

of covered employees are within the EEA

### Non-EEA regions

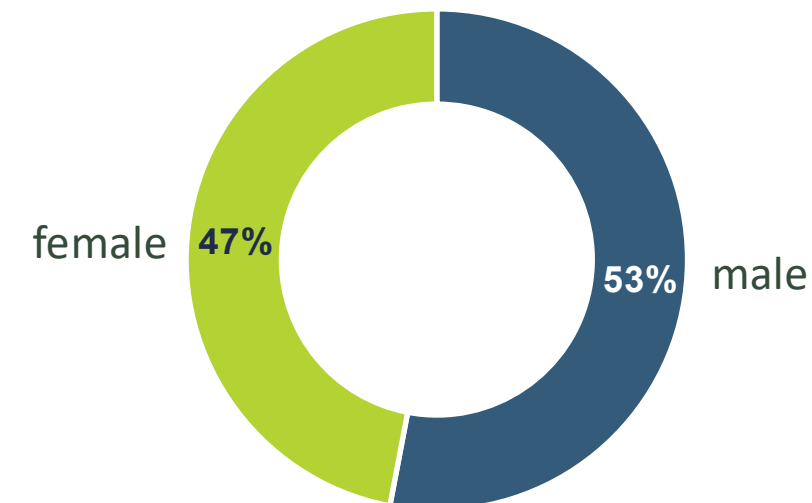
The Group's activities are based entirely within the EEA, with no workforce employed outside it, so there is no non-EEA coverage to report. Any future expansion would continue to respect freedom of association and the right to collective bargaining under the relevant ILO Conventions.

# 4%

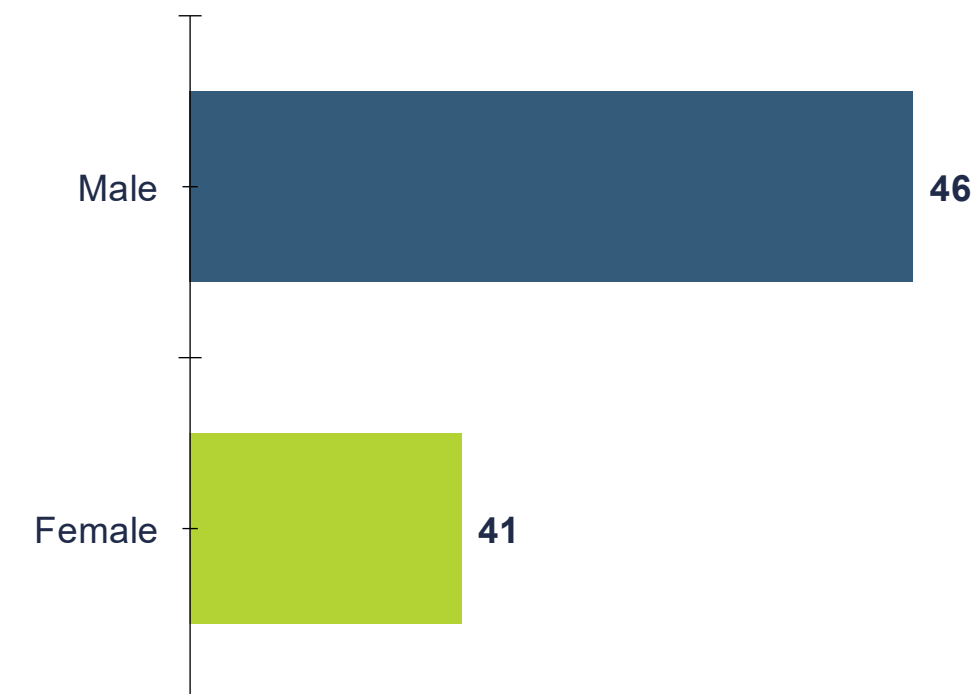
of total employees covered by collective bargaining agreements

## Diversity metrics – top management

### Share of top management by gender (%)



### Top management by gender (head count)



*Top management = C-Suite employees and all employees reporting directly to C-suite level.*

## Adequate wages and social protection

### Adequate wages (S1-10)

Employees are remunerated in line with local market conditions and benchmarks. In Latvia, pay aligns with the market median per the Fontes Remuneration Survey and State Revenue Service data, with annual reviews. In Lithuania, salaries follow market conditions verified by national statistics, with annual reviews tied to budget and performance.

### Czech Republic

Wages are established through collective bargaining and, although below the national median, are revisited annually based on performance and responsibilities. Most employees are therefore paid wages regarded as adequate for their location.

### Social protection (S1-11)

All employees have 24/7 accident insurance, and employees who have completed their probationary period also have health insurance – providing protection against loss of income due to employment injury and acquired disability.

### Diversity recognition

Under the Society Integration Foundation's 'Strength in Diversity' initiative, Eco Baltia vide, Nordic Plast, JUMIS and Oil Recovery were recognised in the Silver category, and ITERUM for its progress. All also hold 'Family-Friendly Workplace' status, confirming an inclusive environment supporting work-life balance.



**24/7 accident cover**  
For all employees from day one



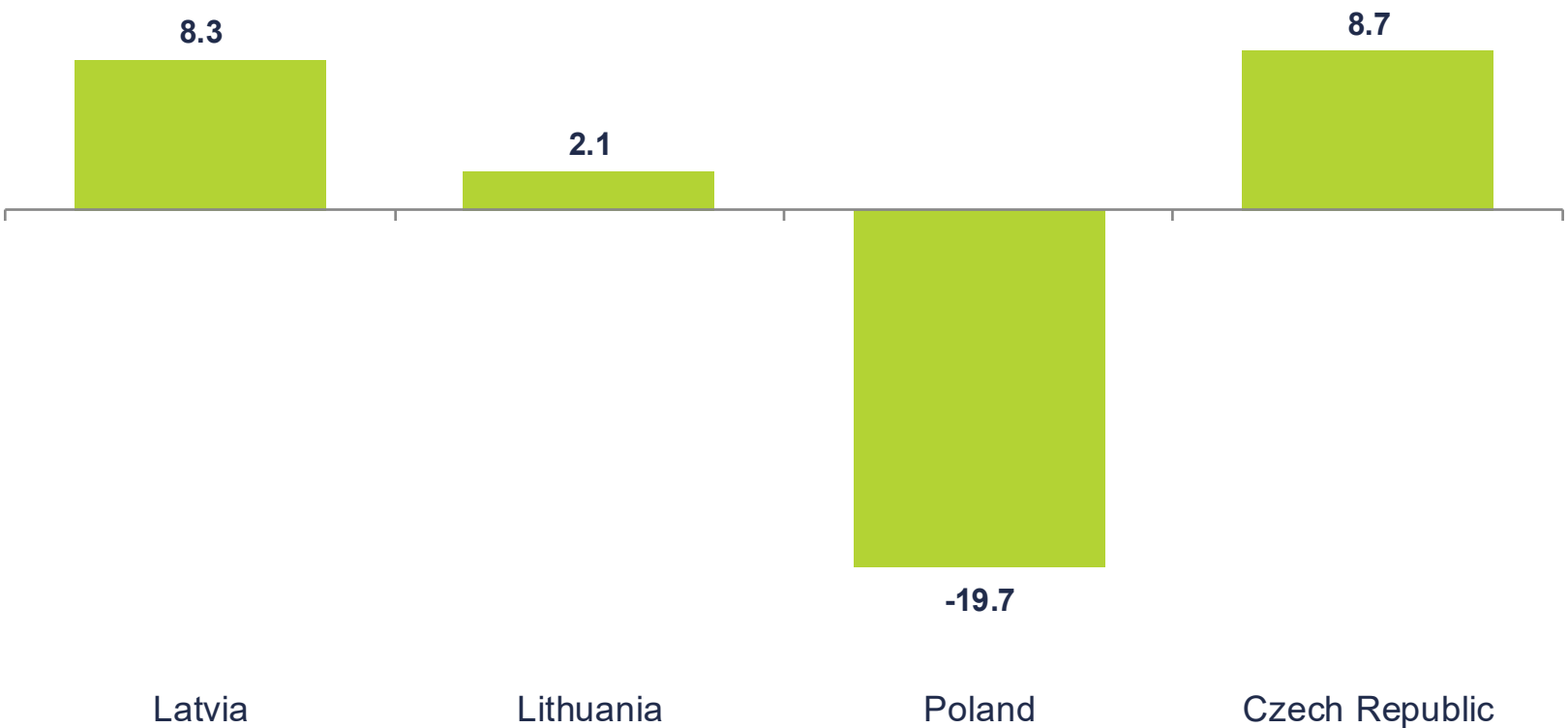
**Health insurance**  
After the probationary period

**«Strength in Diversity»**  
Silver-category recognition

**Family-Friendly Workplace**  
SIF status across companies

## Health & safety and compensation metrics

### Gender pay gap by country (%)



A negative value indicates that women's average pay exceeds men's (Poland). The Group's major operating companies, which account for the largest share of employees, hold official ISO 45001 certification, while smaller subsidiaries – though not formally certified – apply health and safety standards aligned with the requirements of ISO 45001.

**Zero**  
work-related fatalities in own workforce

**8%**  
overall gender pay gap



# S2 WORKERS IN THE VALUE CHAIN

## S2-2 Processes for engaging with value chain workers about impacts

### Perspectives inform decisions

Regular partner surveys give direct insight into working conditions, concerns and potential impacts across the value chain – findings feed into the double materiality assessment so impacts are identified, evaluated and considered when setting priorities and actions.

### Assessing effectiveness

Effectiveness is assessed through survey response rates, the quality and relevance of feedback, and the extent to which concerns are addressed through follow-up actions – reviewed as part of the double materiality process.

### Direct & proxy engagement

Engagement is conducted both directly through partner surveys and, where appropriate, through workers' legitimate representatives or credible proxies – helping ensure their perspectives are captured and considered in managing actual and potential impacts.

## S2-4 Taking action on impacts on value chain workers

### Confidential grievances

All grievances are handled confidentially and in accordance with applicable privacy and data-protection requirements. Access to information is restricted to authorised personnel, and personal data is processed solely to assess and address the reported concern.

### Supplier due diligence (underway)

To strengthen prevention and mitigation of potential negative impacts on value chain workers, the Group is developing a formal due-diligence procedure for suppliers and business partners.

### What it will cover

The procedure will support systematic identification, assessment and management of labour, human-rights and other social risks across the value chain – including risk-based assessments, regular monitoring, and engagement with partners to address concerns.

### Continuous improvement

Once implemented, it will promote continuous improvement in working conditions and responsible business practices across the Group's supply relationships.



### Confidential handling

Privacy & data-protection compliant



### Supplier due diligence

Formal procedure in development



### Risk-based monitoring

Regular assessment & engagement

# S3 AFFECTED COMMUNITIES

**S3.SBM-3** Material impacts, risks and opportunities and their interaction with strategy and business model

## Scope and engagement

Eco Baltia maintains active engagement with local communities through stakeholder consultations, awareness-raising and community programmes, integrating local viewpoints into project planning. There have been no cases of forced relocation or livelihood displacement, and feedback is handled through established channels.

## Communities via operations & value chain

Communities are involved during project preparation, particularly through EIA processes with municipalities and state institutions. Public consultations keep residents informed, and awareness campaigns – such as the 'Life after the closet' recycled-textile fashion show – encourage sustainable consumption.

## Types of affected communities

Key groups include local residents near operational sites, municipalities, and value-chain partners such as suppliers and logistics providers. Initiatives advanced during the period include biowaste sorting, expanded battery collection, and sorting infrastructure improved for accessibility.

## Negative impacts occurrence

The Group has not engaged in land acquisition involving involuntary resettlement or economic displacement, ensuring no community displacements or loss of livelihoods. Public consultations and surveys accompany impact assessments, and grievance mechanisms address community concerns promptly.

## Positive impacts, risks and opportunities for communities

## Positive community outcomes

Initiatives generated positive outcomes: further biowaste-separation solutions, expanded battery-collection infrastructure, and waste-sorting containers designed for people with visual impairments. Charitable activities supported animal-welfare organisations across Latvia.

## Growth and investment

Continued investment in waste-management infrastructure increases sorting and recycling capacity and improves secondary raw-material quality. Eco Baltia vide won a seven-year Ādaži municipality contract (projected €22m ex-VAT), and Ecoservice opened the largest sorting centre for separately collected packaging in the Baltics.

## Specialised services

Specialised services for construction waste, textiles and PVC materials enable more efficient collection and processing. Amid challenging European recycled-polymer markets, the Group expanded exports and improved efficiency to stay competitive.

## Understanding risk & specific groups

Assessments (e.g. the 'Lauciena' EIA) included public discussions and integrated council and public recommendations. Sites in industrial zones are low-risk with no residents or current land users; no involuntary resettlement or displacement occurred, and security is provided by trained, licensed personnel with emergency protocols.

**Zero**

cases of resettlement or displacement

**Baltics**

largest packaging sorting centre (Ecoservice)

**€22m**

Ādaži 7-year contract (Eco Baltia vide)

S3

S3 AFFECTED COMMUNITIES

Identified material impacts, risks and opportunities

| Topic | Title & description                                                                                                                                             | Type                                     |          |                |            |            |             |           |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------|----------------|------------|------------|-------------|-----------|
|       |                                                                                                                                                                 |                                          | Upstream | Own operations | Downstream | Short-term | Medium-term | Long-term |
| S3    | <b>Job creation and economic stimulation</b><br><i>The waste-management industry can create a significant number of jobs, stimulating local economies.</i>      | <span>●</span> Potential positive impact |          | ●              |            |            | ●           |           |
| S3    | <b>Improved cleanliness and quality of life</b><br><i>Proper waste management can lead to cleaner communities and improved quality of life.</i>                 | <span>●</span> Potential positive impact |          | ●              |            |            | ●           |           |
| S3    | <b>Community education programmes</b><br><i>Initiatives educating communities on waste management can reduce waste generation and raise recycling rates.</i>    | <span>●</span> Opportunity               |          | ●              |            |            | ●           |           |
| S3    | <b>Local employment initiatives</b><br><i>Creating jobs for local residents enhances economic stability and fosters goodwill towards the company.</i>           | <span>●</span> Opportunity               |          | ●              |            |            | ●           |           |
| S3    | <b>Health and safety improvements</b><br><i>Programmes improving local health and safety standards can reduce healthcare costs and enhance quality of life.</i> | <span>●</span> Opportunity               |          | ●              |            |            | ●           |           |

S3-2 Policies related to affected communities

Indigenous peoples

There is no community of indigenous peoples in the regions where the Group operates (Latvia, Lithuania, Poland, the Czech Republic), so no specific policy provisions for indigenous peoples are currently applicable.

Human-rights commitments

The Group upholds human-rights commitments relevant to communities – engagement, respect and remedy. It runs public consultations during EIAs and disseminates information via local media, avoids involuntary resettlement or displacement, and engages communities through education and CSR.

Enabling remedy

A grievance mechanism handles complaints from affected communities. Although no resettlements or displacements occurred, each grievance is

considered and addressed individually, with public consultations and surveys integrating community feedback into reports.

Compliance record

In 2025, the Group reported zero cases of resettlement or displacement affecting communities. Similarly, no instances of non-respect of the UN Guiding Principles, the ILO Declaration, or the OECD Guidelines involving affected communities were identified. Grievance mechanisms and legal compliance systems remain in place to address such matters should they arise.

Policy changes & communication

The 2021 Sustainability and Environmental policy set principles for reducing negative impacts. Development projects (e.g. the new Resource Management Centre) reflect ongoing improvement. Policies are communicated via email, intranet, manager meetings, screens, podcasts, local media and public consultations.

SS3-2 · S3-3 Engaging with communities and remediating impacts

Direct engagement

Group companies engage affected communities and their legitimate representatives directly during project preparation and implementation. The stakeholder-engagement plan identifies stakeholders, sets goals and is reviewed annually; public consultation meetings and surveys gather input during EIAs, ensuring legal compliance.

Operational responsibility

Top management has established a structured approach in which each subsidiary appoints responsible individuals for environmental and social requirements. Management Boards and senior management oversee compliance, with regular review meetings and performance monitoring ensuring engagement results inform the approach.

Assessing effectiveness

Effectiveness is assessed through public consultations, surveys and responses to feedback. During the 'Lauciena' project, two public meetings informed and gathered input from residents, and a survey plus public letters were reviewed and incorporated into the project report.

Channels for remedy (S3-3)

A formal grievance mechanism addresses complaints, each evaluated individually. The Group prioritises meaningful consultation – public discussions and multi-channel information – and its project impact assessments include public consultations, underscoring its commitment to responding to community needs.



# S4 CONSUMERS AND END-USERS

**S4.SBM-3** Material impacts, risks and opportunities and their interaction with strategy and business model

**Scope (ESRS 2)**

The Group reports on material impacts, risks and opportunities relating to consumers and end-users and how they connect to strategy and business model. The assessment covers all consumers and end-users who may be materially affected by the company's activities.

**Types of consumers**

These include individual consumers who use the Group's products and services, and business customers and organisational end-users who depend on them. Special consideration is given to vulnerable groups who may face greater risk due to age, digital literacy, accessibility needs or socio-economic conditions.

**Double materiality**

Through its double materiality assessment, the Group identifies and evaluates both actual and potential impacts, risks and opportunities. Outcomes are incorporated into strategic priorities, risk management and operations, embedding consumer considerations in decision-making.

**Via operations & value chain**

Impacts may occur directly through the Group's own activities – product development, marketing, distribution and service provision – or indirectly through its value chain, such as manufacturing, logistics and third-party services, evaluated across the product and service lifecycle.

**Material impacts and engagement with consumers**

**Perspectives inform decisions**

The Group engages consumers through customer service, satisfaction surveys, feedback platforms, complaints handling, market research, user testing and social-media monitoring, gathering qualitative and quantitative information on experience, performance, accessibility, safety and quality

**Direct & proxy engagement**

Where direct engagement is not feasible, the Group consults legitimate representatives or credible proxies – consumer associations, industry bodies, advocacy organisations and experts.

**Ongoing review**

Feedback is gathered continuously and reviewed by relevant business functions to identify emerging issues, assess risks and evaluate improvement opportunities.

**Use of insights**

Insights are considered in decision-making, risk management and the improvement of products, services and consumer outcomes.

| Topic Title & description |                                                                                                                                                                                                                                                                           | Type                      |  | UpstreamOwn operationsDownstreamShort-termMedium-termLong-term |  |  |  |  |  |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--|----------------------------------------------------------------|--|--|--|--|--|
| S4                        | <b>Quality and safety of products/services</b><br><i>The quality and safety of products and services shape consumer trust, brand reputation and long-term success; robust assurance, compliance and innovation safeguard stakeholders and support sustainable growth.</i> | Potential positive impact |  |                                                                |  |  |  |  |  |
| S4                        | <b>Customer welfare (experience and loyalty)</b><br><i>Prioritizing customer wellbeing, satisfaction and safety enhances loyalty, builds credibility and fosters long-term relationships; neglect risks reputational, legal and legal and market-share damage.</i>        | Potential positive impact |  |                                                                |  |  |  |  |  |

Stages, responsibility and effectiveness of consumer engagement

Stage, type and frequency

Eco Baltia engages consumers across the service lifecycle: annual customer surveys give structured feedback on satisfaction, service quality and experience, while customer portals and self-service platforms – regularly upgraded for accessibility – collect ongoing feedback.

New channels

An AI chatbot launched in 2025 gives consumers an additional channel for information and assistance. Quarterly client reporting with business customers (packaging, electrical and textile waste obligations) enables ongoing dialogue on service, compliance and needs.

Responsibility

Business-unit managers hold operational responsibility, supported by customer service, sales and sustainability functions. The CEO, with the management team, is the most senior role ensuring engagement results inform the Group's approach and feed into service development and strategy.

Effectiveness & vulnerable groups

Effectiveness is assessed via surveys, feedback and complaints, portal usage and support interactions, reviewing satisfaction, participation and feedback trends. Particular consideration is given to vulnerable groups – accessibility needs, limited digital literacy or other circumstances.

Remediation and channels for consumers to raise concerns

Approach to remedy

Where the Group causes or contributes to a material negative impact, structured processes – guided by internal procedures and the Code of Conduct – drive timely identification, escalation and resolution. Remedies may include service restoration, product or service improvements, refunds or compensation, and enhanced communication.

Tracking & effectiveness

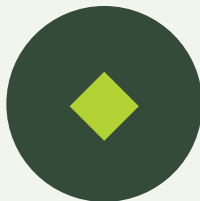
Issues are recorded and followed through internal systems until closure, enabling oversight of status and outcomes. Channel effectiveness is reviewed through performance indicators and feedback trends, with adjustments to improve handling and accessibility.

Channels

Consumers can submit concerns through customer-facing and digital interfaces, including the AI-enabled chatbot. Submissions are logged and routed to responsible functions for assessment and resolution under internal procedures, with channels embedded in operational systems and service standards.

Trust, protection & confidentiality

Awareness and trust are assessed through uptake, engagement and feedback. Policies prohibit retaliation against those who raise concerns, channels are accessible close to the point of impact with escalation to Group level, and grievances are handled confidentially under privacy and data-protection requirements.



**Annual surveys**  
Satisfaction & service quality



**AI chatbot (2025)**  
New consumer support channel



**Service correction**  
Restoration & improvements



**Vulnerable groups**  
Accessibility considered



**Quarterly reporting**  
With business customers



**No retaliation**  
Protected under Code of Conduct



**Confidential**  
Privacy & data protection



## Taking action on impacts on consumers and end-users

### Actions already implemented

- 'Latvian Green Point' seminar on sustainable packaging – educating businesses and the public on EU obligations
- Unified container labelling system – improving waste-sorting accuracy for residents
- 'Lab!' store – refurbished-electronics sales and free repair workshops promoting circular consumption
- Eco Baltia Vide route optimisation (LEAN) – improving service accessibility and punctuality
- Customer-communication improvements across Eco Baltia Vide branches
- Sigulda municipality contract extension – wild-boar carcass collection supporting public health

### Identifying needed action

Appropriate actions are determined through risk assessments, customer feedback and service-performance monitoring, prioritised by severity and likelihood and by affected and vulnerable groups, with escalation to senior management for significant issues.

### Remedy approach

Where material negative impacts occur, the Group applies corrective actions – service improvements, process adjustments and customer-support measures, including remediation where appropriate – to address issues and prevent recurrence.

### Tracking effectiveness

Effectiveness is tracked through operational performance indicators, customer feedback and service-usage data – service quality, punctuality and accessibility – with results reviewed against objectives and adjustments made where necessary. Governance controls help ensure the Group's own practices do not cause negative impacts.



Eco Baltia's "Ieskaties šķirošanas troksnī" campaign, featuring electronic music producer Anna Madara Pērkone (Might Delete Later), transformed recorded sorting sounds and public voice messages into recycling-themed DJ sets. Pictured: Rudīte Vesere, Deputy State Secretary on Environmental Policy Issues, Ministry of Climate and Energy, and Jānis Aizbalts, CEO of Eco Baltia vide.



# Governance

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**G1** Business Conduct

## Role and expertise of the governance bodies

### Responsibility for business conduct

The administrative, management and supervisory bodies are responsible for upholding high standards of business conduct and ensuring compliance with internal policies and applicable regulations.

### Conflicts of interest

A key element is the identification, disclosure and management of conflicts of interest under the Conflict of Interest Situation Reporting Procedure.

### Ethics Commissioner oversight

The Ethics Commissioner, together with the Head of the Legal Department, oversees the review, documentation and resolution of reported conflict-of-interest situations, ensuring transparency and accountable decision-making.

### Screening of business partners

All potential clients and suppliers undergo an internal assessment of sanctions exposure, registration status, financial stability and payment discipline before engagement.

### Supervisory Board approval

Transactions above defined thresholds require Supervisory Board approval, which also considers the associated risk assessments.

### Procurement and internal audit

The Internal Procurement Procedure requires evaluation of multiple offers against predefined criteria, while Internal Audit regularly reviews transactions and business conduct for compliance.

### Required familiarity

Members of the governance bodies must be familiar with the Company's Code of Conduct and other relevant internal policies.

### Mandatory onboarding

Mandatory onboarding training is provided at the start of their mandate or employment, setting expectations on business conduct from day one.

### Ongoing competence

Competence is maintained through regular training activities and continuous updates delivered via internal communication channels and governance meetings.

### Oversight of ethical standards

The Group Ethics Commissioner and supervisory structures oversee adherence to ethical standards, including proper disclosure and management of conflicts of interest.

### A high level of awareness

Together these mechanisms build a high level of awareness and competence in business conduct and compliance-related matters across the governing bodies.

Zero

tolerance for bribery and corruption

## Business conduct policies and corporate culture

### Ownership of corporate culture

Eco Baltia builds, develops and promotes its corporate culture through structured policies and procedures managed by the Human Resources and Legal departments.

### Principles for people management

Personnel policies are based on clear, transparent and fair principles, fostering a modern working environment that supports professional growth.

### Corporate values in practice

Ambition, creativity, responsibility, opportunity-seeking and courage are integrated into daily operations and communicated via email, intranet, meetings and social media.

### Continuous assessment

Regular employee surveys, performance evaluations, talent development initiatives and internal communication activities are used to assess and strengthen the culture.

### A binding framework

The Code of Conduct and related procedures form a binding legal and administrative framework for all employees, with a strict zero-tolerance approach to bribery and corruption.

@

Multiple channels

Line managers, Ethics Commissioner, Internal Audit

### Established procedures

Procedures, including a whistleblower procedure, are in place to identify, report and investigate suspected unlawful conduct or breaches of the Code of Conduct.

### Channels for raising concerns

Employees can raise concerns through their line managers, the Group Ethics Commissioner or the Head of Internal Audit, via email or telephone.

### Documentation and assessment

All reports are documented and assessed against whistleblowing criteria and investigated as appropriate.

### Communication of outcomes

Findings and any corrective actions are communicated to the relevant authorities and stakeholders.

### Confidentiality and protection

Confidentiality is strictly safeguarded and whistleblowers are protected from retaliation in line with legal requirements. Internal audit and management may initiate investigations where needed.

§

Retaliation protection

Confidentiality safeguarded by law

## Whistleblower safeguards and investigations

### Confidentiality and data protection

Since 20 October 2022, comprehensive procedures ensure the confidentiality of whistleblowers and the protection of their personal data, including pseudonymisation of sensitive information and access limited to authorised personnel involved in investigations.

### Secure reporting channels

Multiple secure channels are available, including dedicated email addresses and automated telephone systems, enabling safe and confidential submission of reports.

### Protection against retaliation

Whistleblowers are protected against retaliation, including dismissal, unfavourable performance assessments or any other adverse treatment.

### Legal safeguards

Legal safeguards include access to state-funded legal assistance and exemption from liability where applicable.

### Role of the designated investigator

The designated investigator has clearly defined responsibilities and authority, including direct reporting to Group management and measures to preserve whistleblower anonymity.

### Training and framework review

Regular training keeps employees informed of the system and their rights, and the framework is reviewed to stay aligned with legal requirements and best practice.

### Timely and objective investigations

Investigations are carried out in a timely, independent and objective manner. Responsible personnel are granted full access to relevant documents, staff and assets, supported by employees and management.

### Duty to cooperate

All employees must cooperate fully and provide complete and accurate information without delay.

### Reporting to the Board

Investigations are documented in a detailed report submitted to the Management Board or Supervisory Board, ensuring transparency and accountability.

### Compliance with national law

The Group complies with applicable national whistleblower protection laws, reflected in its internal whistleblowing framework.

### Scope of protection

Identity and personal data are disclosed only where strictly necessary. Protection extends to related persons and those assisting the whistleblower, and all reports are handled through designated channels to ensure impartiality.

# 2022

whistleblowing procedures in force since 20 October

## Training and functions most at risk

### Familiarity for all employees

Employees, regardless of risk classification, are required to familiarise themselves with the Code of Conduct and any updates, and new employees are introduced to it at the start of their employment.

### Higher-risk employee groups

Employees in higher-risk groups receive additional communication from HR specialists and may be subject to further training and periodic knowledge assessments.

### Communication of the Code

The Code of Conduct is reinforced through training sessions, internal meetings and the Group's intranet to promote widespread awareness of business conduct standards.

### Internal procedures

Employees are also expected to familiarise themselves with relevant internal procedures relating to business conduct.

### Animal welfare in policy

The Sustainability and Environmental Policy includes considerations related to animal welfare; while it sets no standalone provisions, its broader commitment to sustainability and corporate social responsibility promotes ethical practices.

### Functions most exposed

Certain functions are identified as most exposed to corruption and bribery risks, including procurement, client-facing roles and senior management.

### Key risk areas

Key risk areas include conflicts of interest, gifts and hospitality, lobbying, donations and sponsorships, political engagement, procurement processes and counterparty due diligence.

### Risk assessment and ownership

Internal Audit regularly reviews and updates the corruption risk assessment, while the Chief Legal Officer oversees revision and maintenance of the mitigation framework.

### Group-wide procedures

Targeted procedures are implemented across the Group's operating regions, and adherence to these requirements is mandatory for employees within their scope.



### Exposed functions

Procurement, client-facing and senior management



Supplier relationships and payment practices

Procurement policies

Comprehensive procurement policies ensure fair and timely payments to suppliers, with particular attention to SMEs, requiring compliance with legal and regulatory requirements and transparent procurement processes.

Timely payment

The Group prioritises timely payment and adherence to contractual obligations, supporting strong supplier relationships and reducing risks associated with payment delays.

A governed procurement process

The procurement process includes a formal approval and tendering framework, compliance with legal and ethical requirements, and integration of environmental and social criteria into supplier selection.

Fair competition and Code of Conduct

The Group promotes fair competition, transparency and adherence to its Code of Conduct, with emphasis on preventing late payments to SMEs and ensuring timely settlement.

Supply chain risk

Supplier assessments include environmental and social performance considerations, supporting green procurement and reducing supply chain risks.

Requirements for partners

Partners must comply with environmental legislation, respect human and labour rights in line with ILO and UN principles, and adhere to occupational health and safety standards.

Mandatory criteria

The procurement policy includes mandatory environmental and social requirements, such as ISO certification where applicable and the application of green procurement criteria.

ESG Due Diligence procedure

The ESG Due Diligence procedure developed during 2025 governs sustainability screening of significant suppliers and customers. In its first year (2026), ten of the most important partners are assessed, with the approach continued in subsequent years.

Scope of the assessment

It applies to the most significant suppliers in the Group's core business areas, identified by assessing services and production processes and the partner's significance, influence and contract duration.



**Tendering framework**

Formal approval and transparent process

ESG due diligence and scoring of partners

Standardised ESG questionnaire

Selected suppliers complete a standardised ESG questionnaire covering environmental and social (including human-rights) performance, which the Sustainability Manager evaluates against defined minimum criteria.

Score of 80% or above

A total ESG score of at least 80%, with no high risks identified, leads to a recommendation to approve cooperation without additional conditions.

Score of 60-79.9%

A score of 60-79.9% leads to approval subject to specific improvement measures and deadlines agreed with the partner.

Score below 60%

A score below 60%, or failure to meet the minimum threshold on one or more key criteria, leads to a recommendation not to approve the partner.



**ILO and UN principles**

Human and labour rights respected

Activities the Group does not support

Irrespective of the score, partners engaged in weapons, ammunition, military equipment, tobacco, gambling, sexual exploitation or prohibited chemical substances, or presenting other high risks, may be rejected.

Improvement and re-assessment

Where performance is insufficient, the Group may request additional information and improvement commitments, propose an on-site sustainability audit or an EcoVadis-type assessment, and re-examine the partner after one year.

Recognition of existing assessments

Suppliers already positively assessed or publishing an externally audited sustainability/ESG report are considered compliant, and the next partner is selected for screening.

Contractual requirements

For other suppliers, contracts include a reference to the Group's partner Code of Conduct and a requirement to comply with it.



**ESG Due Diligence**

Procedure developed during 2025

## Procedures, investigation and reporting

### Comprehensive anti-corruption policies

Comprehensive policies and procedures are in place to prevent, detect and address allegations or incidents of corruption and bribery, including a zero-tolerance approach and strict prohibitions on bribery, illicit payments and corrupt practices.

### Reporting a suspected breach

Any suspected breach must be reported to the Ethics Commissioner, who investigates the matter, escalates it as appropriate and recommends disciplinary measures to the Board.

### Role of the Supervisory Board

The Supervisory Board may also assess the severity of violations and determine actions to prevent recurrence.

### Regular programme review

The corruption risk mitigation programme is reviewed and updated regularly. All employees must comply with these measures and may consult the Ethics Commissioner in case of uncertainty.

### Independence of investigators

Investigations are carried out by individuals or committees independent from the management chain involved. The Group Ethics Commissioner, who reports directly to the Supervisory Board, handles general internal investigations, while the Internal Auditor handles whistleblower cases.

### Objective and unrestricted review

Investigations are conducted objectively, with investigators granted unrestricted access to relevant documents, personnel and information.

### Escalation to the Boards

The responsible person reports findings to Group management, including the Management Board, and escalates cases to the Supervisory Board when significant irregularities are identified.

### Feedback and compliance reporting

Whistleblowers are informed of the outcome within the required timeframe, and the Ethics Commissioner reports to both Boards on compliance with anti-bribery and anti-corruption procedures.

## Communication of policies and training

### Channels of communication

Policies are communicated through internal platforms such as the intranet, web pages, email communications, and management training sessions and meetings, so they are accessible and well understood.

### Onboarding and ongoing updates

New employees are introduced to the Code of Conduct at the beginning of their employment, while ongoing updates are provided through regular training, internal communications, newsletters and digital displays in common areas.

### Purpose of the training programmes

Training programmes promote transparency and ethical conduct, covering key policies and the Code of Conduct with a focus on conflicts of interest, gifts that could influence decision-making and reporting procedures.

### Delivery across Group companies

Group companies provide regular and comprehensive training that includes practical examples and assessments.

### Higher-risk employee groups

Training is primarily targeted at higher-risk groups, such as those involved in procurement, client and customer relations and decision-making roles, who receive detailed role-specific training.

### General training for all employees

Other employees receive general training on key principles, responsibilities and the Group's zero-tolerance approach. Whistleblowing channels are communicated to all employees and made publicly available to clients and suppliers.

### Structured programmes in the Code of Ethics

The approach is based on structured programmes set out in the Code of Ethics, reinforcing the prohibition of all forms of bribery and corruption for all employees, including directors and board members.

### Updates and oversight

Regular updates are informed by Internal Audit's corruption risk assessments, and compliance is mandatory and overseen by the Group's Ethics Officer.

Zero

tolerance for bribery, kickbacks and facilitation payments



Programme review

Corruption risk mitigation updated regularly



Consult the Commissioner

Available to employees in case of uncertainty



Role-specific training

Procurement, client relations, decision-makers

# DISCLOSURE REQUIREMENTS AND INCORPORATION BY REFERENCE

| Indicator     | Title/description                                                                                                                   | Page         | Indicator | Title/description                                                                                                                       | Page         |
|---------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|
| <b>ESRS 2</b> | <b>General disclosures</b>                                                                                                          | <b>10–23</b> | <b>E1</b> | <b>Climate change</b>                                                                                                                   | <b>25–30</b> |
| BP-1          | General basis for preparation of sustainability statements                                                                          | 11           | E1-1      | Transition plan for climate change mitigation                                                                                           | 25           |
| GOV-1         | The role of the administrative, management and supervisory bodies                                                                   | 12–16        | E1.SBM-3  | Material impacts, risks and opportunities and their interaction with strategy and business model                                        | 25–26        |
| GOV-2         | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | 17           | E1.IRO-1  | Description of the processes to identify and assess material climate-related impacts, risks and opportunities                           | 27           |
| GOV-3         | Integration of sustainability-related performance in incentive schemes                                                              | 17           | E1-3      | Actions and resources in relation to climate change policies                                                                            | 27           |
| GOV-4         | Statement on due diligence                                                                                                          | 18           | E1-4      | Targets related to climate change mitigation and adaptation                                                                             | 27           |
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| SBM-1         | Strategy, business model and value chain                                                                                            | 19–20        | E1-6      | Gross Scopes 1, 2, 3 and Total GHG emissions                                                                                            | 29–30        |
| SBM-2         | Interests and views of stakeholders                                                                                                 | 21           | <b>E2</b> | <b>Pollution</b>                                                                                                                        | <b>27</b>    |
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# ESG initiatives

Eco Baltia Group – delivered during 2025

The following pages set out the environmental, social and governance initiatives the Group carried out over the year, and the results they delivered



# ESG STRATEGY: EDUCATION AND CONFERENCE ENGAGEMENTS

Through conferences, forums, and engaging initiatives, we promote knowledge sharing and sustainable practices, showcasing innovative solutions and building collaborations for a circular economy. Our activities aim to inspire forward-thinking ideas and drive sustainable choices in everyday life.

We create discussions and hands-on activities that help people learn about taking care of the environment. By offering activities designed for young people, we encourage students to take action for a more sustainable future.

## Key events and collaborations include:

- EBV: Support for art project “Raimonda Staprāna memuāri” release; LASUA industry conference.
- EB: Collaboration project with SSE student association; organizing tours at our facilities to educate the public on the importance and methods of waste sorting, promoting environmental awareness; creation of the series/podcast “The future footprints today”
- LZP: Dienas Bizness conference “Waste in economy” ; Children’ s book “Holiday crafts” release; Baltic Brand Forum and participation in the industry social initiative “pRASmīgi” .





# ESG STRATEGY: EDUCATION AND CONFERENCE ENGAGEMENTS

Latvijas Zaļais punkts: Latvia - a country without waste. Creating understanding of the EU regulations in the sense of waste management.

The annual conference “Latvia – A Country Without Waste” serves as a national platform for dialogue among policymakers, industry leaders, and sustainability experts to accelerate Latvia’s transition toward a circular economy.

## Impact

- Promotes shared responsibility for sustainable resource use;
- Increases public awareness and engagement;
- Supports the creation of smarter, transparent packaging systems;
- Encourages policy and innovation alignment;
- Builds long-term societal impact.

Event Budget: EUR 17 500

## Audience reach:

- Event attendance - 90
- Online attendance (FB, YouTube and Delfi translation) - 100633
- Media publications - 892619





# SUSTAINABILITY SPRING (TVARUMO PAVASARIS) CONFERENCE

**The event.** Held on 25 March 2025 and convened by the Green Finance Institute (Žaliųjų finansų institutas), the Tvarumo pavasaris (Sustainability Spring) conference examined the tension between competitiveness and sustainability. The programme addressed how green technologies are reshaping business processes, what the European Commission's regulatory reform proposals mean for companies, and whether economic growth and sustainability can genuinely be pursued together – with contributions from futurist Martin Kruse of the Copenhagen Institute for Futures Studies and Estonian economist Raul Eamets.

**Our contribution.** Ecoservice CEO Jurgita Nacevičienė took part as a speaker in the conference panel discussion, bringing the operator's perspective to a programme otherwise dominated by regulators, financiers and consultants. Her contribution focused on the practical reality behind circular-economy targets – what it actually takes to collect, sort and recover materials at scale, and where the gap lies between reporting ambition and recovery capacity on the ground.

**Why it matters.** Engaging in forums of this kind is part of how we meet our stakeholder-engagement and sustainable-consumption objectives. Conferences such as Sustainability Spring shape the expectations that will govern Lithuanian business – from CSRD implementation to green-technology adoption – and it is important that waste-management and resource-recovery expertise informs that debate rather than merely responding to it. We intend to remain an active voice in national sustainability forums, sharing operational data and practical experience with policymakers, financial institutions and business peers.





# VERSLO ŽINIOS CONFERENCE – SUSTAINABLE BUSINESS (TVARUS VERSLAS)

**The event.** The „Tvarus verslas “ (Sustainable Business) conference, organised by the business daily Verslo žinios, took place on 8 September 2025 at the MO Museum in Vilnius. Its message was that sustainability is no longer a choice but a necessity – an investment in competitiveness, reputation and long-term resilience.

**Our contribution.** We initiated a panel discussion on one of the most pressing challenges in waste management today – battery collection and recycling. Ecoservice CEO Jurgita Nacevičienė took part as a speaker, joining representatives of science, industry and the public sector. The discussion focused on keeping batteries out of mixed waste streams, reducing the fire risks they create across collection and sorting operations, and strengthening the circular management of critical raw materials.

**Why it matters.** By setting the agenda rather than only responding to it, we brought an operator’ s perspective to a debate largely shaped by regulators and consultants – and reached the decision-makers whose choices determine what enters the recycling chain.





# WASTE MANAGEMENT FORUM

**The event.** The XXII Druskininkai Forum „Atliekų tvarkymas 2025 “ (Waste Management 2025), held on 25–26 September, is Lithuania’s annual gathering for the waste sector. This year’s programme gave particular attention to the unusually high number of fires at waste-handling companies, bringing the industry together to analyse root causes and look for systemic solutions.

**Our contribution.** Ecoservice CEO Jurgita Nacevičienė delivered a presentation titled „O tada jie lengvai ir efektyviai rūšiavo “ (Making Waste Sorting Easy and Effective), setting out how sorting behaviour improves when the system is designed around the user rather than the regulation. She joined industry leaders in discussing the future of waste management, emphasising that sustainable progress depends not only on technology, but also on effective regulation, producer responsibility, and collaboration across the entire value chain.

**Why it matters.** The forum convenes the operators, regulators and municipalities who together determine how Lithuania’s waste system performs. Contributing operational experience to that discussion – particularly on sorting quality and fire prevention – supports both our stakeholder-engagement objectives and the wider goal of a safer, more circular sector.





# VILNIUS GREENTECH FORUM – THOUGHT LEADERSHIP ON THE CIRCULAR ECONOMY

**The event.** Now in its twentieth year, the Vilnius GreenTech Forum is one of the Baltic region's leading platforms for green progress, convening 500–600 policy and business leaders, experts, researchers and startup founders across some 25 sessions. The 2025 edition was held on 29 October at the Radisson Blu Hotel Lietuva, covering renewable energy, green financing, emerging technologies and the decarbonisation of transport.

**Our contribution.** Ecoservice CEO Jurgita Nacevičienė delivered a presentation, „*Trys Žiedinės ekonomikos iššūkiai*“ (*Three Circular Economy Challenges We Must Address Now*), and joined the expert panel „*Žiedinės ekonomikos būtinybė ir nauda*“ (*The Need for and Benefits of Advancing the Circular Economy*), moderated by journalist Živilė Kropaitė. She was joined by Marina Curko-Notkuvienė (CEO, PAATC), Almontas Kybartas (Director, LITBIOMA) and Greta Česnaitytė (Director, Circular Economy Association).

**Why it matters.** The forum sits at the intersection of energy, technology and policy – where waste management is too often absent from the conversation. Sharing our operational experience there positions modern resource recovery as core infrastructure for Lithuania's green transition, not an afterthought to it.





# ESG STRATEGY: EDUCATION AND CONFERENCE ENGAGEMENTS

## Participation in social initiative “pRASmīgi”

“pRASmīgi!” is a social initiative jointly organized by the three largest producer responsibility system operators in Latvia – SIA “Zaļā josta” , AS “AJ Power Recycling” , and SIA “Latvijas Zaļais punkts.” The goal is to encourage businesses and the public to think about responsible production, consumption, and recycling to reduce their environmental footprint.

**Event target audience:** Society at large; policymakers; entrepreneurs

**Collaboration type:** participation and partnership

**Support focus:** Education

**Communication Activities:**

- Press releases and media interviews
- Social media coverage
- Logo placement in event visuals and materials
- On-site event participation and presentations

**Achieved audience in media publications:** 489345

**Reached people at the events - 81**

- Support Amount: EUR 10 000





# ESG STRATEGY: ENVIRONMENTAL ADVOCACY AND CHARITABLE CONTRIBUTIONS

Driving positive change through environmental awareness and social responsibility.

We actively engage the community in sustainability and eco-conscious activities, fostering a deeper sense of responsibility towards the environment. By educating the public on key environmental issues, we encourage informed, positive actions. Our contributions also extend to supporting children's homes, creating a sustainable future for vulnerable communities.

## Key events and collaborations include:

- EBV: LAB! collaboration with LIDL Latvija to donate to "Tavi draugi" ; Charity donation to project "Fulfill a Child's dream" by "Children's hospital foundation" ; Christmas tree chips donation to animal shelter "Ulubele" , participation in "World cleanup day"
- LZP, EBV & JUMIS: regional educational activities: participation in events like the Sigulda Festival, Mārupe Children's Festival, Halloween event in Salaspils "Ghost trail in Salaspils"
- EBV free electronics repairing masterclasses and textile upcycling masterclass.





# ESG STRATEGY: ENVIRONMENTAL ADVOCACY AND CHARITABLE CONTRIBUTIONS

LAB! collaboration with LIDL Latvija to donate to “Tavi draugi”

## Overview:

To help those in need and promote sustainable resource use, Eco Baltia vide, through its LAB! repair workshop, in collaboration with LIDL Latvija, donated over 160 repaired electrical appliances to the organization “Tavi draugi”. Each appliance was carefully restored to give it a second life, supporting families and individuals while reducing waste.

## Key impact:

- Provided essential support to communities in need (soldiers in Ukraine and Ukrainians living in Latvia).
- Demonstrated the power of collaboration to achieve both social responsibility and environmental sustainability.
- Promoted the circular economy by extending the lifespan of electrical appliances.





## 30 APPLE TREES FOR VILNIUS

To celebrate our 30th anniversary, we gifted 30 apple trees to the City of Vilnius. Together with municipal representatives and local residents, we planted the trees in the Karoliniškės district, creating a lasting environmental legacy for future generations.



## GOODBYE SUMMER COMMUNITY FESTIVAL

At the Rudamina community festival (Vilnius District), we brought waste sorting to life through hands-on educational activities focused on textiles and packaging – helping families and local residents turn awareness into everyday recycling habits.



## KLAIPĖDA SEA FESTIVAL

We proudly joined the annual Sea Festival parade, representing our company alongside our well-known mascot, **Ecoman**, who has become a familiar part of the celebration and helps engage audiences in conversations about environmental responsibility.



## MARIJAMPOLĖ COMMUNITY INITIATIVES



We actively participate in local community events throughout the year, including the city's traditional Halloween installation project, where local businesses contribute creative public displays that strengthen community spirit.



# ŠIAULIAI CITY FESTIVAL

Ecoservice supported the annual Šiauliai City Days („Šiaulių dienos“) – the city’s birthday celebration organised by the Šiauliai Culture Centre – taking part in the ceremonial procession and motorised column, in which local institutions and organisations present themselves to residents.

The event continues our tradition of being visibly present in the communities we serve, using one of the region’s largest public gatherings to promote sorting and environmental awareness in an approachable, family-friendly way.





# PARTNERING TRENKTURAS: FIVE HIKES, 154 KM, ONE MESSAGE

TrenkTuras – internationally **TrekTours** – is the largest hiking organiser in the Baltic Sea region, staging mass-participation day hikes across Lithuania, Latvia and Poland. Since 2015 it has grown a community of more than **200,000 hikers** and over 2,500 volunteering stories, who together have covered close to 12.6 million kilometres. Ecoservice sits in its standing partner network alongside Žaliasis taškas and Eco Baltia.

Across the 2025 season Ecoservice backed **five hikes totalling 154 km** – Kazlų Rūda in February (26 km, as General Sponsor), Anykščiai in March (31 km), Labanoras in May (33 km), Alytus in October (37 km, the longest route of the year) and Varėna in November (27 km). Rather than a one-off logo placement, this was a season-long presence that followed participants from winter through to the close of the year.

At every stage we paired outdoor activity with environmental education, encouraging hikers to care for the landscape they walked through and to sort waste responsibly well beyond their own homes. Partnering an organiser of this reach carried that message to a national audience in the setting where it lands hardest – outdoors, on foot. The series also marked our 30th anniversary, turning a year of hikes into an open invitation for communities across Lithuania to walk with us.





# ESG STRATEGY IN SPORTS: FOSTERING SUSTAINABLE COMMUNITY ENGAGEMENT

Supporting sports initiatives for environmental, social, and governance impact.

We invest in local communities through sports, nurturing talent and emphasizing community involvement while emphasizing diversity and unity. Our initiatives promote youth development through sports such as volleyball, beach volleyball, basketball, rally and golf. We also encourage employees' health and wellness through events like the RIMI Riga Marathon.

## Key events and collaborations include:

- EBV: basketball club «Rīgas Zēļi» and «Daugavpils»; association "Latvijas Volejbola federācija", O-sand beach volleyball club and volleyball club "Augšdaugava"; "EuroBasket 2025", beach volleyball pair "Rinkevičs&Bedritis", Basketball club "Mārupe" and football club "Mārupe".
- EB: organization of the Eco Baltia Golf 2025 tournament;
- EBV support for a cycling movement "Mīdītāji"
- OR sponsorship for Latvian Bobsleigh and Skeleton Federation

## Achieved results:

- "Eco Baltia vide" brand awareness increase - 61,8% (4,4% vs 2024)
- "Latvijas Zaļais punkts" brand awareness increase - 72,8%(+0,2% vs 2024)





# ESG STRATEGY IN SPORTS: FOSTERING SUSTAINABLE COMMUNITY ENGAGEMENT

Eco Baltia vide - the official sustainability partner for “Eurobasket 2025”

This partnership highlighted the importance of waste management, sustainability, and public education during the basketball event of the year.

## Key Initiatives:

- Waste sorting & recycling infrastructure - accessible waste sorting stations at the arena and the fan zone.
- Public awareness campaign - educational content on waste sorting and sustainability practices in collaboration with social media and event platforms to spread awareness.

## Impact:

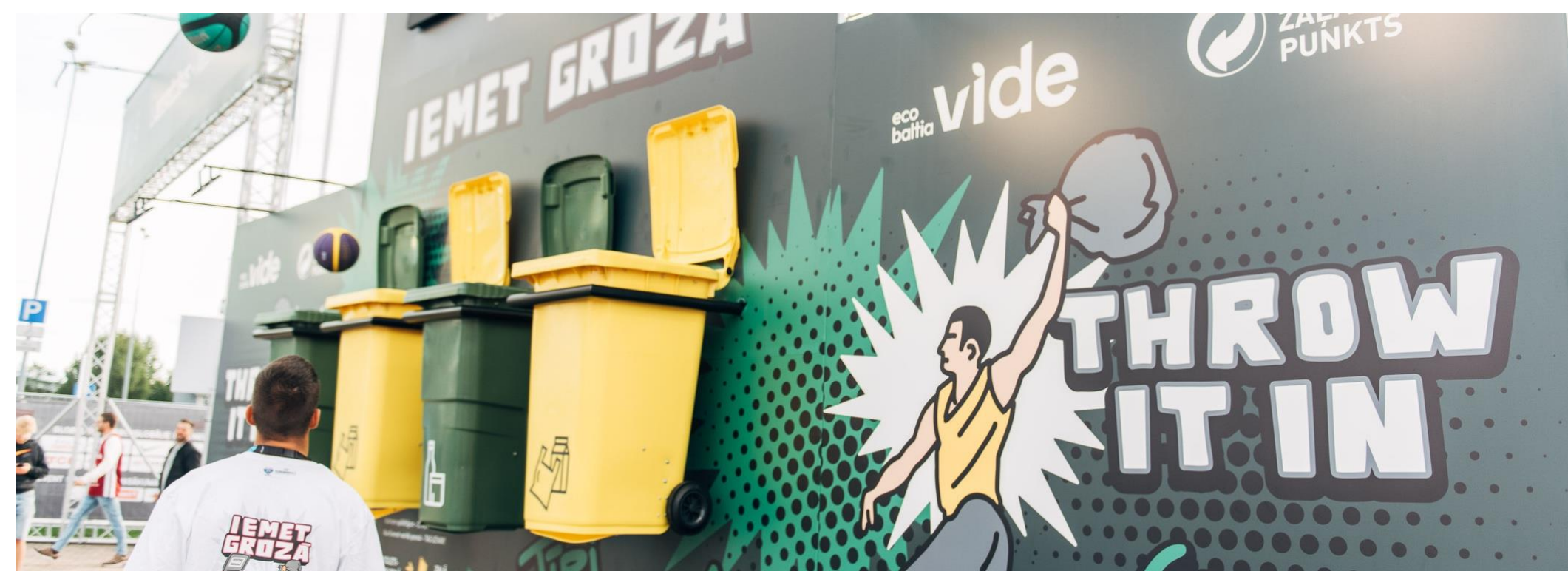
- Promoted a greener basketball viewing by reducing waste and encouraging spectators to recycle.
- Enhanced public engagement with practical tips on sustainability and waste management awareness.

## Achieved results

- Event attendance: 226835 visitors
- The “Eurobasket 2025” campaign reached a total audience of almost 4,9 million, with the majority engaged through online media.

## Support Amount:

- Financial Contribution: EUR 100,000 (in the form of an exchange for sponsor-provided services)





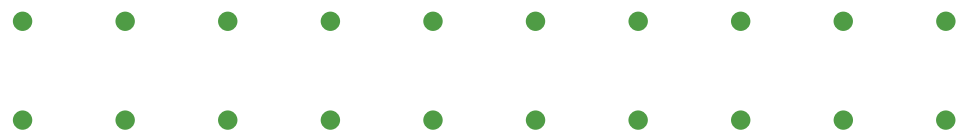
# TEXTILE SUSTAINABILITY INITIATIVE

The textile sustainability initiative encompassed awareness campaigns, expert discussions, and collaborations, resulting in substantial textile recycling and media visibility. These efforts align with our commitment to environmental sustainability and social responsibility.

- In the campaign we raised awareness toward textile upcycling and proper utilization via textile recycling system. In collaboration with Latvian academy of arts students and independent artists, we created a fashion show- "Life after closet" . All the looks in this show were created using recycled materials - mostly textile. The models were employees of Latvijas Zaļais punkts and Eco Baltia vide - the true influencers of sustainable lifestyle.
- Textile campaign in September to October "Life after closet" included media communication, digital advertisements, and social media outreach. The campaigns partners - RIMI.

## Audience reach in total 2,8 million:

- Social media and digital advertisement - 2 million
- Media publications - 869,783





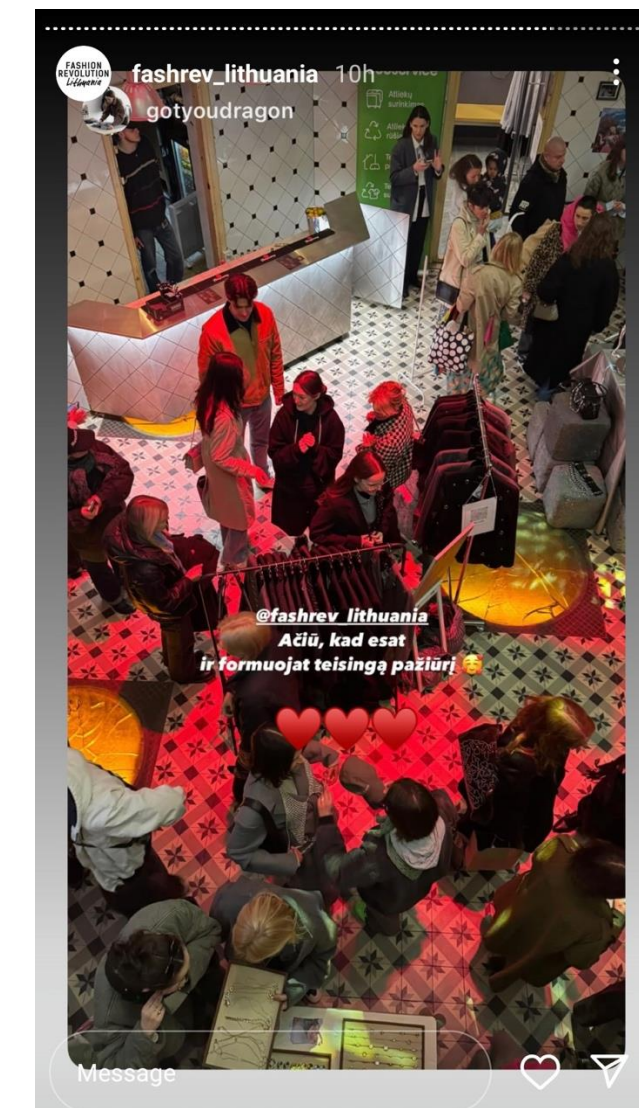
# FASHION REVOLUTION WEEK 2025

We reinforced our commitment to the circular economy through a partnership with Fashion Revolution Lithuania and Ecoservice. Based at the cultural hub Lukiškių Kalėjimas 2.0 in Vilnius, the week-long initiative became a platform for tackling post-consumer textile waste – connecting everyday consumer habits with the region’s recycling infrastructure and turning sustainability theory into measurable community action.

**The activities.** Our work centred on public education, source separation and extending the life of textiles. Clothing swaps (mainytuvės), upcycling workshops and second-hand pop-up markets diverted garments from landfill and kept resources in use at their highest value. Ecoservice contributed its logistical expertise and specialised sorting streams, giving participants a transparent view of how discarded textiles are collected, processed and returned to the value chain.

**Our contribution.** Beyond sponsoring the awareness week, we opened our Textile Sorting Centre as the filming location for the campaign’s promotional materials, showcasing the full journey of discarded textiles and underlining the importance of responsible consumption, reuse and recycling.

In doing so, we advanced our wider ESG objectives of encouraging sustainable consumption and lowering the region’s carbon footprint – raising public understanding of proper textile disposal and demonstrating how multi-stakeholder partnerships build local circular ecosystems. We intend to scale these resource-recovery models further.





# TOBACCO WASTE DISPOSAL AWARENESS INITIATIVE

We aim to reduce environmental pollution by promoting proper disposal of tobacco waste, minimising its harmful impact on nature. Our efforts support sustainability and social responsibility, ensuring our message resonates widely.

- The "Cigarette butt talks" installations, placed in 10 shopping centres in Riga and Liepaja, served as a powerful visual representation of the cigarette litter problem, drawing public attention and driving the message home.
- 172 specially branded public waste bins were installed across 49 municipalities to encourage proper disposal.
- The initiative featured expert opinions on the matter and a comprehensive media campaign including digital advertisements, social media outreach, and media publications.

Audience reach in total - almost 4,2 million

Media visibility: 1,4 million audience.  
Digital media and exhibition reach: 2811129



### Latvijā ik gadu dabā nonāk ap 200 miljoniem izsmēķu

Cigarešu izsmēķi ir visizplatītākais plastmasas atkritumu veids pasaulē

Dabiskā ceļā cigaretes filtrs nesadalās, jo 98% no tā sastāva veido plastmasas šķiedras

Izsmēķi izplata toksiskas ķīmiskas vielas:

- svinu
- arsēnu
- benzolu
- fenolu
- aldehīdu

Ko darīt ar izsmēķi?

- ✓ Pirms izmešanas nodzēs!
- ✓ Meklē tuvāko pilsētvidē izvietoto atkritumu urnu!
- ✓ Ja tuvumā pieejams sadzīves atkritumu konteiners – droši izmet!

Kur nedrīkst mest izsmēķi?

- ✗ Uz zemes jebkurā vietā – pilsētā, mežā, pie jūras u.c.
- ✗ Kanalizācijas lūkās
- ✗ Atkritumu šķirošanas konteineros
- ✗ Citviet tam neparedzētajās vietās

Izsmēķa vieta ir **sadzīves konteiners**





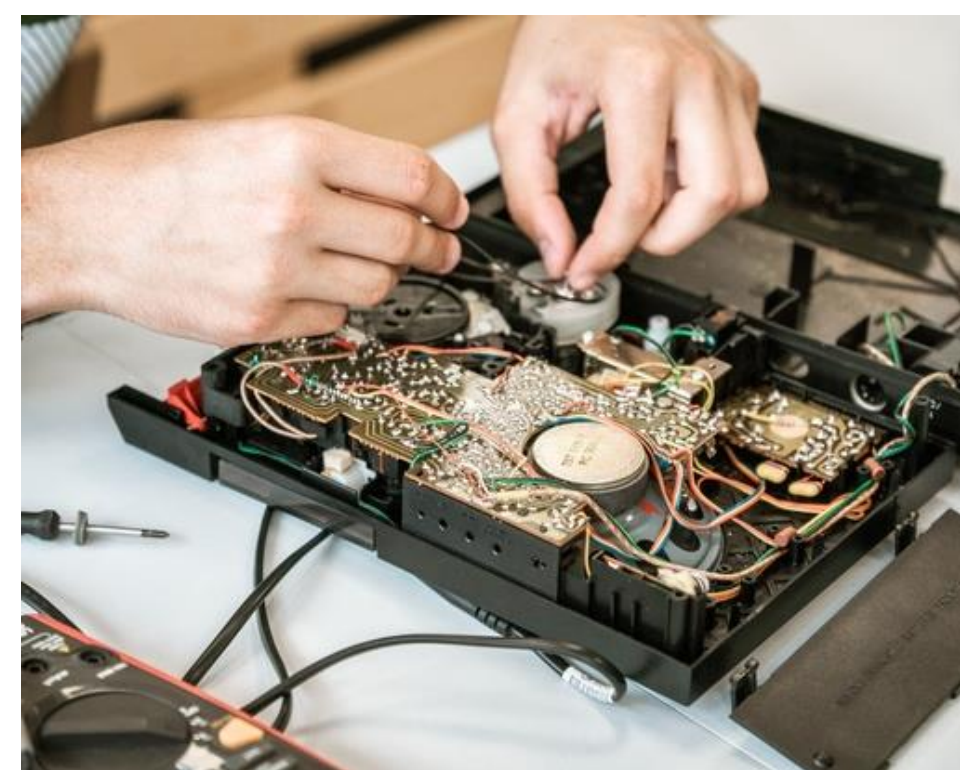
# ENCOURAGING HABIT CHANGE IN E-WASTE MANAGEMENT

We aim to inspire change in how people perceive and handle electronic and electrical equipment waste. The launch of "LAB!" store set the stage for a new approach towards e-waste, promoting reuse and creative solutions instead of immediate disposal.

- Opening of e-waste repair shop "LAB!". "LAB!", aims to repair around 200 pieces of equipment every month. Our experts do the diagnostics of the device, repair them and test them, so that it could be offered to the shop customers. The repaired electronics are available to consumers at 50-70% lower than the price of a new device at electronic stores. There are at least two good reasons for repairing electrical devices: first, it conserves natural resources, and second, it supports the community by providing refurbished equipment for charity or resale at more affordable prices compared to new devices.
- To promote the reparability of electronics, once in every 1-1,5 months "Lab!" repair shop hosts an electronics repair masterclass. Our experts act as assistants and diagnostics for our customers and explain the basic principles of repairing electronics. Masterclasses are held free of charge.

## Audience reached:

- Sold units (repaired electronics): 3585
- Masterclasses organized: 4
- Media publicity: 3123743





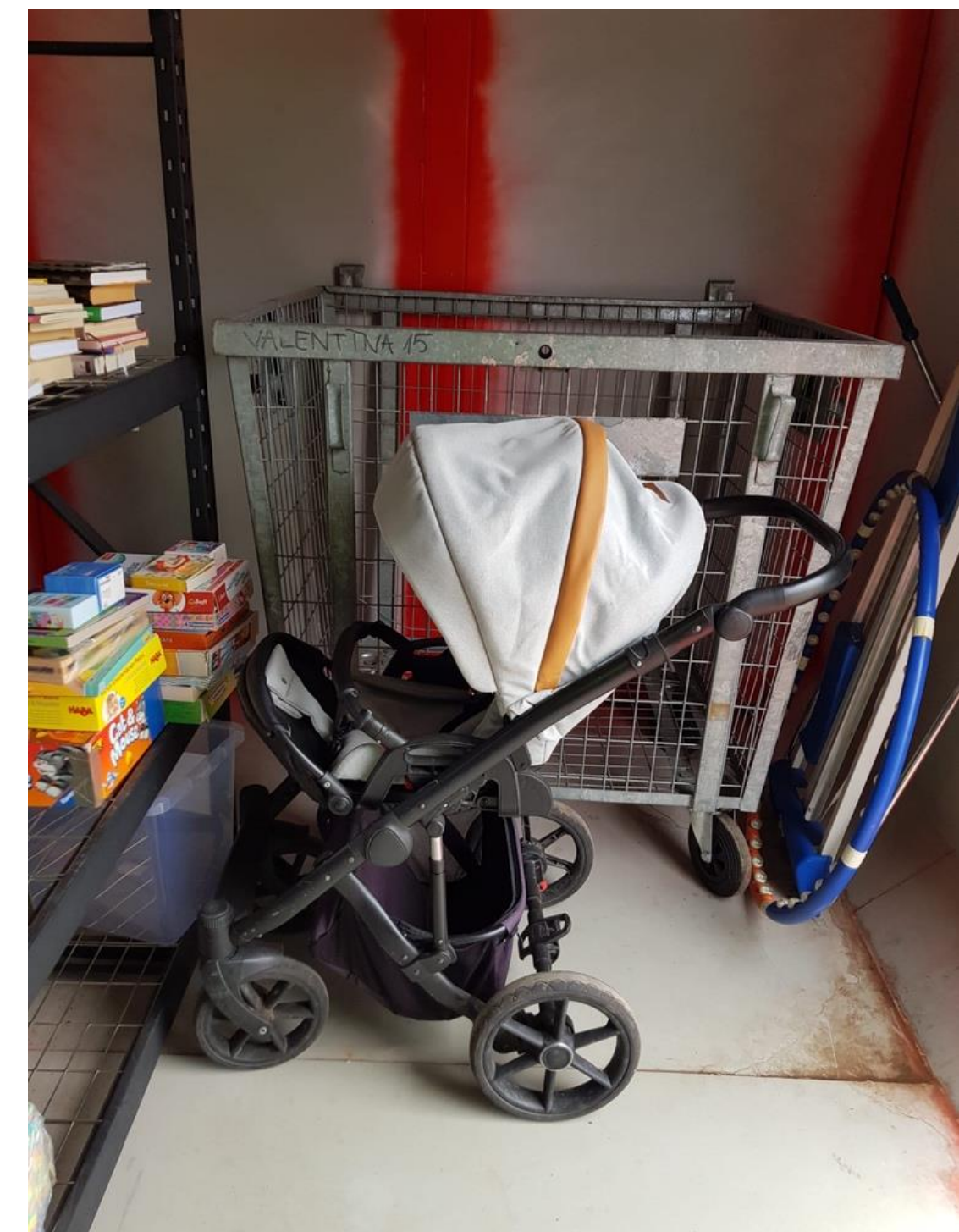
# ENCOURAGING SUSTAINABLE CONSUMING HABITS

What began as an initiative for sustainable gifting at Christmas has become a permanent solution. In Sigulda we opened our first “Thing Exchange Closet”, giving residents of the municipality a free way to pass on items they no longer need instead of throwing them away.

The initiative has proved so popular with locals that they now call it the “treasure closet”. The most sought-after finds are baby and childcare products, small electronics, accessories, toys and small furniture.

## Audience engagement:

- Items swapped in the exchange closet – approx. 1,200





## MES DAROM (WE DO)

**The aim.** Running since 2008 as part of the global Let's Do It / World Cleanup Day movement, Mes Darom is Lithuania's largest civic clean-up initiative. Its purpose is to mobilise communities, businesses and civic organisations to take hands-on responsibility for Lithuania's natural landscapes – raising awareness of the impact of littering and improper waste separation, while organising large-scale clean-ups of green spaces, forests, beaches and urban areas.

**The 2025 events.** Highlights included „**DAROM Vilnių žalią!**“, the spring clean-up near the Litexpo grounds and the Karoliniškės Nature Reserve, and „**Darom prie jūros**“ in Klaipėda (Melnragė), a coastal waste-reduction and education festival.

**Our contribution.** Acting as both **communication partner and service provider**, Ecoservice handled the logistical heavy lifting. We equipped volunteers with designated sorting tools and heavy-duty collection bags (didmaišiai) and deployed specialised transport to haul gathered waste away from vulnerable ecosystems. Our reopened packaging sorting facility then ensured the thousands of tonnes collected across the regional clean-ups were diverted from landfill and returned directly into the circular economy.

A clean-up only closes the loop if what it gathers is actually recovered – and that step is our core business.





# A NEW CHAPTER

In February 2025, we officially opened our rebuilt and modernised Sorting Centre in Vilnius following the 2023 fire. Representing an **€18 million investment**—the largest in Ecoservice's 30-year history—the facility combines advanced sorting technologies, AI-powered optical scanners, and enhanced fire safety systems to support more efficient and sustainable waste management.

The new centre marks a significant step forward in our circular economy ambitions. Thanks to modern technology, it can recover **15–20% more recyclable materials from the same amount of waste** than the previous facility, helping conserve valuable resources and reduce the amount of waste sent for disposal.

## Key achievements in 2025

- Recovery of **15–20% more recyclable materials** from the same waste stream.
- Improved material quality through advanced optical sorting technology.
- Enhanced operational safety with modern fire detection and suppression systems.
- Opened the facility to partners, institutions, schools, and community groups, strengthening transparency and public understanding of modern waste management.





# INTERNAL ESG ACTIVITIES

In 2025, our internal communication and engagement calendar is designed to strengthen loyalty, support families, and create a positive, inclusive culture. These activities complement our external ESG initiatives and bring sustainability values into everyday life at work.

## Social responsibility and well-being initiatives

- Annual Gala “Express of Laughter” (January)
- “Summer Splash-in” – Līgo celebration on a boat
- Five-day summer camps for employees’ children in Salaspils “Mellenes” and Grobiņa “Jura Stalji”
- EuroBasket engagement activities for employees
- Sustainable Companies League – Steps Challenge
- Company sports day: fostered team spirit, unity, and celebrated achievements in a fun, sporty environment. Also Family Day & Volleyball Tournament and Family Cinema Day for employees and their families
- Participation in RIMI Riga Marathon and Latvian Cyclists' Unity Ride: promoted an active lifestyle through participation in these iconic events.

## Social responsibility and charitable initiatives

- “Courage Boxes” donations for Children’s Hospital patients

## Social responsibility and employee engagement

- Shadow day: employees' children shadowed staff at EBV, Oil Recovery, ITERUM and JUMIS.
- Interest clubs: Sports Club, AI Creative Zone, Motorcyclists’ Club, Happy Tails Dog Club

## Good governance

- Employee recognition campaign “Pride of the Environmental Sector” , “Loyalty – Our Strength” employee appreciation & loyalty campaign
- The traveling cup - most responsible colleague: recognized colleagues who exemplify company values and responsible behavior.
- "Discovering value among us" podcast: promoted transparency by exploring different roles and talents within the company. Released monthly.





# INTERNAL ESG ACTIVITIES: OUR TEAM, OUR CULTURE

Sustainability starts from within. In 2025 we celebrated achievements, strengthened cross-team connections and continued traditions that build a supportive, values-driven workplace.

- **Winter Celebration** – colleagues gathered to recognise outstanding achievements and thank employees for their contribution to the company' s growth.
- **Clean-Up Day** – each spring our administrative teams devote a day to improving our own facilities, reinforcing that responsibility starts with our own actions.
- **Leadership Roadshow** – management visited regional teams to hear challenges first-hand and empower local improvements.
- **Summer Celebration** – a Group-wide gathering to strengthen relationships and celebrate shared achievements.
- **Pie Day Charity** – for the second year running, employees baked and donated to support a colleague facing serious illness.
- **Christmas Traditions** – jumper Fridays, workshops and seasonal gatherings that strengthen our sense of belonging.
- **Labour Market Leader 2024** – recognised by CVbankas.It in the Services category.





# PVC RECYCLING LEADERSHIP

As Poland's largest PVC recycler, Metal-Plast supplies premium regranulate to major pan-European producers, reinforcing its role in Europe's sustainable construction sector.

- **Record year** – 32,817 tonnes of PVC waste processed in 2025, up from approx. 32,290 tonnes in 2023 following investment in the Świebodzice plant.
- **Post-consumer focus** – a growing share of PVC collected from the consumer market, closing the loop on end-of-life windows.
- **RecyClass certificate renewed** – confirming strict traceability and responsible production standards.
- **Rewindo partnership** – continued participation in the German scheme for recycling PVC windows, doors and shutters.
- **REACH-compliant regranulate** – lead content below 0.1% Pb, matching virgin PVC quality while reducing lead exposure.

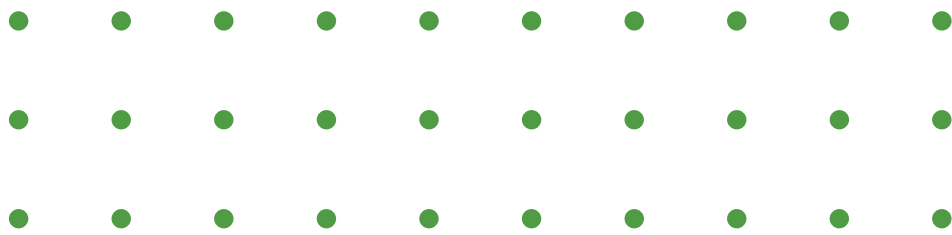




# CARBON FOOTPRINT & VERIFICATION

In November 2025 Metal-Plast obtained an EPD type III certificate and completed a full ISO 14064-1 verification of its organisational carbon footprint for previous period of 2024.

- **Low product footprint** – 0.44 kg CO<sub>2</sub>/kg for PVC regranulate and 0.052 kg CO<sub>2</sub>/kg for PVC pulver.
- **Upstream dominance** – over 95% of value-chain emissions arise before production; the plant itself accounts for only 0.2–1%.
- **Recognised methodology** – Life Cycle Assessment to ISO 14025 and EN 15804; GHG audit covering Scope 1, 2 and 3.
- **Independent assurance** – verified by Bureau Veritas, giving joinery manufacturers certified data for their own product footprints.
- **Ahead of regulation** – continued investment in advanced recycling technology positions the company beyond EU compliance requirements.







# ECO BALTIA

## SUSTAINABILITY REPORT 2025

Prepared in accordance with CSRD / ESRS

